

# Maclean's



**A BANK  
BUILT ON  
SCANDAL**

## GOODBYE, COLUMBUS!

**Latter-Day Vikings Sail To  
Canada To Prove Which Explorers  
Really Discovered The New World**

**The Gaia Under Sail  
For 'Vinland,' Nfld.**





## A thank you from all the folks you didn't run into on the way home.

The fawn thanks you. So does the squirrel. Even the fellow with the quills is grateful.

You see, they're tickled pink by the notion of the permanent all-wheel drive Passat syncro G60.

This car handles almost any surprise the road has to offer. And not just four-legged ones.

The Passat syncro G60 copes equally well in a downpour or on a sudden patch of ice.

The syncro system 'reads the road.' If one wheel loses traction, the system compensates by distributing more power to the other wheels.

This means more control. A

happy thought, if you're a skunk. Of course, the G60 super-charger nestles under the hood, its power complementing the syncro's handling.

Should a raccoon on a mid-

night ramble cross your path, anti-lock brakes ensure steering even while braking hard.

Advanced technology, yes. But dedicated to the same thought we've put into every

Volkswagen we've ever built, we went off the folks on the road to get home safely.



**Passat  
syncro G60**

Meet the man  
who's entertained  
1900 buccaneers,  
the King of England  
& 18,600,000  
personal friends.



# Maclean's

CANADA'S WEEKLY NEWSMAGAZINE AUGUST 4 1991 \$2.15 (U.S. \$2.50) NO. 30

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## COVER

## GOODBYE, COLUMBUS

*Celebrations on both sides of the Atlantic will mark next year's 500th anniversary of the "discovery" of America by Christopher Columbus. But these celebrations have already been upstaged. A Viking ship sailed from Norway to Newfoundland to mark the point that Norwegians arrived 500 years earlier. And members of the First Nations note that their ancestors arrived long before that. — 36*



## BUSINESS

## SCANDAL IN WAITING

*The main issue in the Bank of Credit and Commerce International scandal is why authorities took so long to act. As the inept gathers momentum, some critics charge that BCCI had influential friends—like Abu Dhabi ruler Sheikh Zayed bin Sultan al-Nahyan, a U.S. ally in the Persian Gulf War. — 24*



## ROYALTY

## THE STATE OF A UNION

*This week marks the 10th anniversary of the fairy-tale wedding of Prince Charles and Diana, the Princess of Wales, watched by 750 million people. But in the increasing state of the British media, they now operate in distinct and frequently rival figures, sleeping, working and socializing apart. — 46*





## LETTERS

### A QUESTION OF LEADERSHIP

I was astonished to find no reference in "The search for leaders" (Cover, July 22) to the major cause of public cynicism: the perception that many politicians are in it for what they can get. We know less about salary increases, pension benefits, travel privileges and perks than politicians grant themselves at the expense of the taxpayer—to say nothing of the frequent evidence of actual malfeasance.

G. H. Sawfield,  
Edmonton, Ont.

Maclean's offers several truths needed by successful politicians that to have influence in Ottawa, politicians need another two: absolute support and understanding. Canada's leaders demand unquestioning loyalty and the ability to sell policies, however insane. Only by curtailing the party leader's power can better decisions be made. The Americans divide power between Congress and the president, and the British Conservative leader is elected by the caucus and can be removed rapidly. OK, then, Canada's system is the least responsive.

Paul Gagnon,  
Calgary

Politicians will never see the light. As a non-retired reporter who covered Parliament from the days of Louis St. Laurent until 1982, I do not feel sorry for any politicians. They made up their own minds to get into the game.

Larry McDonald,  
Ottawa

### CULTURE FROM THE HEART

Most one-stop-of-the-border vote for Peter Newman's "Declining the Canadian dream" (Business Watch, July 22). I want to leave about Canada from its heart—not from someone's pocketbook, as would happen if U.S. politicians were granted advertising-dollar deductions. The bonds I feel Canada together are being tested. One of these bonds is the ability to communicate Canadian culture to those who live at, across and neighbors alike.

Donald K. Barbours,  
Spokane, Wash.

Peter Newman strikes an important note when he points out that "The magazine made no mention of Canadian contributions to the Gulf War or involvement in the developing North American common market. Some passages, as a result of Tim's lack of acknowledgment of Canada's part in the Second World War, I cancelled my subscription to that publication."

William Langford,  
London, Ont.



Parliament: 'privileges and perks'

### THE ROAD TO INDEPENDENCE

As a Canadian of Slovenian origin, I was shocked and hurt by the tone of covert criticism in your report on the challenges of Slovenia and Croatia to achieve independence ("Separate story," World, July 2). The people

of Slovenia started their road to democracy and independence in a perfectly legal, peaceful process lasting several years. It is intolerable that they should be in line of their lives under the brutal heel of Serbia. Europe, Canada and the United States should recognize Slovenia for what it is, a homogeneous entity with a democratic system of government and part of a peaceful community of Western nations.

Marina Hvalbich,  
Majuro, Gut

### A HIGH-SPEED MIX-UP

In "High-speed crash" (Business, June 2), you erroneously describe Canadian National Railways as the operator of Via Rail. Via has been the sole operator of the national passenger rail network since April, 1978, and Via are completely separate legal entities. Moreover, it is not CN, but Via, that has expressed interest in operating a high-speed rail line between Quebec City and Windsor, Ont.

Paul Rappier,  
Senior Advisor, External Relations,  
Via Rail Canada Inc.,  
Montreal

Letters may be condensed. Please supply name, address and daytime number. Write letters to: Peter Newman's magazine, Maclean's, 100 King St. W., Toronto, Ont. M5X 1C7. Or by fax: (416) 593-7700.

## PASSAGES

**DIED:** Nobel Prize-winning author Isaac Bashevis Singer, 87, after a series of strokes, in a Miami nursing home. The son of a Warsaw rabbi, Singer left Poland in 1934 and immigrated to the United States, where he first worked as a journalist and a writer for a Jewish newspaper. He wrote his short stories, mostly about Jews in Eastern Europe and Holocaust survivors living in America, in Yiddish. He described Yiddish as "a language of pain without a heart." Singer is best known as the author of the short story "Spill, the Yiddish Boy" and the novel *Sabbath*. A *Los Angeles* book of which Singer became a resident. He received the Nobel Prize for literature in 1978.



**RETIRED:** Marathon swimmer Vicki Keith, after her second fallow-to-a tragic crossing of Lake Ontario. Keith, 26, learned her defeat on stomach cramps. She had to be pulled from the water about 22 hours after she started. Last August, she failed her second attempt after she encountered a patch of raw sewage in the polluted lake.

**BORN:** To Hollywood stand-in Arnold Schwarzenegger, 44, and his ex-wife, actress Maria Shriver, the 35-year-old niece of Massachusetts Senator Edward Kennedy, a second daughter. The couple's first child, Katherine Keener, was born in 1989.

**DIED:** Veteran character actor James McCallum, 72, after treatment for kidney failure, at a Los Angeles hospital. The

Southern-born actor appeared in Robert Altman's *North by Northwest* with Cary Grant and he starred with Cliff Robertson in *A.P. 1000*, about the Second World War exploits of eventual President John F. Kennedy. He also appeared on such TV shows as *The Streets of San Francisco*, *Barney Miller*, *Gunsmoke* and *The Fugitive*.

**MURKED:** By Britain's High Court, a bid by Eric Durrell, the second wife of novelist Lawrence Sanders, to block the publication of their daughter Sophie's diaries. The journals apparently describe an incestuous relationship between the British novelist and Sophie, who committed suicide in 1965. Durrell, who married four times and died last year, used most as a theme in many of his novels, the most celebrated of which make up *The Alexandria Quartet*.

# HOW TO COOL DOWN AFTER LOVE.





# OPENING NOTES

Ottawa lets nature take its course, Rosedale Tories take a WASPish line, and Raisa Gorbachev tells all

## IMMIGRANT BLUES

The Progressive Conservative association in Toronto's affluent Rosedale riding is sponsoring two controversial resolutions concerning immigration to Canada, which the party is scheduled to vote on at its national policy conference in Toronto on Aug. 6 to 10. The first recommends that "immigrants (five years) should be placed on where immigrants can live so that they do not all end up in the largest major population centres in Canada." The second says that "those who have repeatedly left their homeland during difficult times be told to return when times have improved." Riding committee president George Marshall told that a Rosedale delegate, whom he declined to name, submitted the resolutions to a policy committee last March. Said Marshall, who added that he personally opposes the resolutions: "I expect they will be voted down." Rosedale's MP, David MacDonald, a red Tory, former United Church minister and Canada's ambassador to Ethiopia from 1986 to 1989, was unavailable for comment.

MacDonald: tough questions about immigration



David MacDonald

## Nature takes its own course

Ottawa's city police have mounted its seasonal patrol of streets and parks, and residents upon face a familiar Rosedale—no more. On weekdays, officers can rifle in the location of droppings and city workers will clean up. But the same streets on weekends would cost an extra \$27,000 a year. Last week, the police services board voted not to provide the additional funds. City officials are still deciding whether to oust a popular mayor. But Sgt. Peter Langner said Marshall's line, any lack of cleaning services should not present a problem. Declared Langner: "People will get used to it." He also pointed out that there are only four horses in the mounted unit and said: "We did a daily drop-ping check and each horse goes

there twice a day. Well, with two horses on duty every day, that's not much." Merely a capital offence.



John F. Moore

Mounted police: a daily droppings check

## THE HAIR OF THE DOG

A liquor store in Edmonton's downtown core is co-operating with public health officials in a rare experiment aimed at reducing the number of deaths and injuries caused by the consumption of Lynx and other non-liquor alcoholic substitutes. For the next three months, the 96th Street outlet will open at 8 a.m., instead of the usual 10:00 a.m. to accommodate addicted inner-city drinkers who cannot wait until morning for a legal fix. Declared Alberta Solicitor General Richard Fowler: "Alcohol is at least made to drink. Lynx is not."

## Cross-border golfing

At New Brunswick's Anse-au-Loup Valley Country Club, Canadian golfers invariably end up in the United States. That is because the club is the only one in the country to straddle the Canada-U.S. border. But about 80 per cent of the 260 members are American. And like the Canadian members, they now pay GST on everything the club sells—including meals and annual membership fees, which are as high as \$395. Said Lawrence Cooperstein, secretary-treasurer of the club and an American: "Nobody likes the GST, but there is a Canadian option. The Americans have no choice but to pay it." Too far, too soon.

## A VERY COLORFUL CAMPAIGN

There are just ads developed by Italian clothing retailer Benetton are causing a sensation in North America. One shows a man kissing a girl, a second depicts a single white girl embracing a somewhat devil-looking black boy, and the third shows a white girl right after her bath with her wet hair still attached. American consumer magazines are accepting some of the ads and rejecting others. And at Canada, the ads are scheduled to run in soon Quebec-based magazines. David Hurlston, associate publisher of Toronto-based Pulse, owned by Michael Fries, who owns Maclean's, and the Pulse magazine the devil and angel. Benetton has not asked to run the others, but if it does, he said, "we would think long and hard about it." James Wharlow, publisher of Maclean's, said: "Maclean's readers might find the numbers of co-operatives." But Giovanni Toscani, the Italian photographer who developed the campaign, says that the shock value is deliberate. He added: "I have based out that advertising is the richest and most powerful medium existing today, so I feel responsible to do more than say, 'Our sweater is pretty'."



Benetton ad: deliberate shock value

## EQUAL-OPPORTUNITY PRAYERS

Starting in October, some Church of England congregations will begin using inviolated non-secular prayers. The change follows a decision by the Society for the Promotion of Christian Knowledge, Britain's oldest publisher of religious books, to issue including Women's New-Testament Prayer Book. In it, the Lord's Prayer is called the Prayer of Jesus. And the new version includes a reference to an evangelist: "Beloved, our Father and Mother, in whose is heaven, believed by Your name." The move is part of a continuing effort by the Church of England to examine the language of religion. But some critics have objected. Said George Austin, Archbishop of York: "I think it's heretical, I would walk out of a service if that was read." People work in mysterious ways.

## Summer reading

The London Times has published a list of some of the books that Edward has received for the Royal Family.



Prince Charles troubles

should maintain care to read them. They include John G. Carr's *The Secret Pilgrims and Demons*, a novel about underground activities. But and reports of trouble between Prince Charles and Diana, who this week mark their 25th anniversary, there is also Angela Judd's *Invitation to the Married Life*, about matrimonial troubles. Major anniversary.

## A book of her own

In 1967, Mikhail Gorbachev's *Perestroika* became a famous best-seller. Now, his wife, Raisa, is following in her husband's footsteps with a autobiography entitled *I Hope Remembrance and Reflections*. Publishing houses speculate that Raisa will receive as much as \$3 million for writing the book, which will appear in bookstores in September. Australian-born media tycoon Rupert Murdoch, owner of HarperCollins, which also published *Perestroika*, personally handled the deal. The book promises to reveal details about key relations between her and Nancy Reagan apparently found Gorbachev overbearing, and newspapers quoted her as saying, "Who does that damn bitch do?" But Gorbachev's claim for *I Hope* appears distinctly modest. In the preface, the Soviet first lady writes that the book is "spontaneously born, unadvised, emotional and patchy."



Gorbachev: the \$3-million author

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Today, most rye whiskies are made from corn.  
But not Alberta Premium.  
When it comes to making rye we still use  
real Canadian Prairie rye grain.  
Alberta Premium. A real honest rye.

Alberta Premium  
Rye that's actually  
made from rye.

**S**oldiers in combat gear scoured the hills surrounding the small, isolated Irish village of Carlingford when Brian Mulroney and Ireland's prime minister, Charles Haughey, arrived. The village, near the border between the two islands, was heavily fortified that day, July 13, because it marked the 301st anniversary of the Battle of the Boyne, a day when Orange Day garb and sectarian spark violence. Irish Catholics pulled away motorists for searchlights and snipers. But the guests, both prime ministers, were there in unadorned civilian garb to marry and meet of Parliament Thomas D'Arcy McGee, who was born in Carlingford in 1825 and assassinated in Ottawa in 1868 by a member of the Fenian, an Irish nationalist group that wanted to overthrow the Canadian government. The symbolism was obvious. A century later, McGee's choice, later that day Irish leader, Mulroney, told the Irish press, was to show that the two nations were "not far apart."

So what, you may rightfully ask, is his problem?

at the Don Quixote or Helmut Kohl these days, demonstrators lead out and leaders are being whipping boys. But Ireland unshook notes this demagogic Pirelli, he is his living, with his own disciplined, hardworking and a good husband and father. Publicly, he is still and still at ease. This was noticeable during because public opportunities in Belfast, designed to keep politicians happy by giving them a place to stand, as they were seen to walk through the two long tunnels under the bridge, where they were in a park, then clattered outside. The Kaurtime tried to appear nonchalant even though they were only a few feet from a wall of cameras and lights on tripods.

Behind him were mostly print journalists, some television men and others groups at the time, looking at the scene from the side of the road. During the 20-minute session, Mulroney's hands indicated his discomfort. They would have been better placed in his pockets, but they searched nervously for a more precise instrumental position. The three others agreed the concern, but Mulroney showed at the same time, a sense of humor. He said, "I am not amused." This was only one service. I saw

[illegible]



# COMPETITIVE AGENDAS

## THE FEDERAL TORIES GRAPPLE WITH REVIVING THE ECONOMY AND THEIR OWN FORTUNES

In the two years since the Progressive Conservatives last gathered for a national convention, events have not been kind to the governing party. When they met in Ottawa in August, 1988, the mood was joyful as party stalwarts celebrated their second consecutive election victory the previous November. Soon then, recession, constitutional crisis and a seemingly persistent residence below 30 per cent in public opinion polls have knocked much of the swagger out of their step. As a result, when party delegates meet in Toronto on Aug. 6 for a five-day national policy convention, they will be searching for a new and winning political formula. And few Tories harbor any illusions about how difficult the search may prove. One disgruntled senior Ontario Conservative, in fact, compared the chances of the party's political revival to "hitting eight grand-slam home runs in the ninth inning."

But the government of Prime Minister Brian Mulroney is at least still holding the bat. And last week, it was swinging aggressively with a pair of strategically timed policy decisions: aspects ostensibly aimed at reviving Canadian economic competitiveness—but plainly designed with the Tories' future in mind, as well. One document examined the problems bedeviling Canadian industries; the other reassured Ottawa's desire to set national educational standards in order to improve the skills of Canadian workers. Both papers address issues that economists have described for years as urgently in need of attention. But the timing of

their official release was clearly not coincidental. Together, the papers are part of what International Trade Minister Michael Wilson calls the government's "Prosperity Initiative"—a program that delegates will have an opportunity to endorse at next week's convention, and which is certain to form the key economic plank in the Conservatives' next election platform. As well, both emerged on the heels of a real economic analysis prepared by the opposition Liberals that heavily attacked Tory policy.

Among Conservative strategists and outside analysts alike, there was little doubt that the government's new economic thrust was intended to appeal to audiences both inside the party and beyond it. Said independent pollster Donna Dindo of Toronto-based Economics Research Group: "The competitiveness issue plays in the core group of Tory voters." At the same time, she added, "it is an ideal concept with general appeal." For his part, pollster Allan Gregg, president of Toronto's Decision Research, which counts the Tories among its clients, said that the "first benefit" of the focus on prosperity "in that it corresponds with the public's priorities." Declined Gregg: "You cannot get away like national unity off the agenda, but this absolutely reassures that the government has a significant period."

Still, there was one new evidence last week of the political challenges facing the Tories. In its most recent monthly survey of party standings, Gallup Canada Inc. reported that the Tories received 16 per cent support among Canadians. The Liberals were in first place with 40 per cent, at right points in the past three months. The new left 22 per cent support, while the Reform party had 13 and the Bloc Québécois seven per cent.



For their part, the Liberals attempted to widen their advantage last week by unleashing a blistering attack on the government's economic management. In a 26-page document, the party accused the Tories of allowing 267,000 manufacturing jobs to disappear in Canada since the inception of free trade in January, 1989, and described the government's monetary policy as "a dismal failure." The report accused the Conservatives of neglecting what it described as the "knowledge infrastructure" on which all competitive economies are based. "Declined the document: "Tory cuts to education, training, continuing education, technology and basic research have taken from us the very tools we need to compete."

The first resolution on the agenda of next week's Tory convention aimed to respond squarely to the Liberal onslaught. It calls on Ottawa to foster a more competitive economy—an objective of the importance that the Tories place on Wilson's Prosperity Initiative. The catchall phrase encompasses, among other things, educational reform, a greater emphasis on science and



Ribalds speaking at car plant; Wilson (below) a focus intended to appeal

technology, lower interprovincial trade barriers, more investment in high technology and an aggressive foreign trade strategy. Most analysts agree that Canada needs to become more competitive. By most measures, Canada's productivity did not grow as fast in the 1980s as did those of most of its trading partners. And economists caution that unless Canadian business and labor become more efficient, the prospect that pays for national social programs will be increasingly under threat. Said Judith Maxwell, chairman of the Economic Council of Canada: "These issues are central to low long-term economic performance."

The issue received a political boost when Mulroney shuffled Wilson from the finance portfolio to his present one last April. In the May speech from the throne, the government pledged new steps to make Canada more competitive. And at a speech in Toronto on June 24, Wilson warned that competitiveness was "no less vital to our survival as a nation" than the resolution of the constitutional crisis.

But competitiveness is an ill-defined concept that can prove difficult to explain—and slow to win voters' interest. Said Thomas d'Aquino, president of the Business Council on National Issues: "We are talking about changing the way we think and about shifting our way of seeing the world. It is a difficult concept to sell in a country which has so many policies."

Indeed, the Tories have already had a taste

of how resistant those entrenched views are to change. As earlier attempts to establish a national task force on education, which Mulroney first announced in 1986, failed because Quebec declined to participate, arguing that education was exclusively a provincial jurisdiction. Last week, in the second leaked document, titled "Learning Well," Living Well," the Tories reassured their intention to set national education targets, including a reduction of adult literacy by half during the decade. But said Douglas Wright, president of Ontario's University of Waterloo and chairman of the earlier task force, said it was "I am not terribly optimistic that people will seize upon the idea."

At the very least, last week's main plank of the two documents may attract greater public attention to the complex subject of national competitiveness. It is a debate that opposes Liberal trade critic Roy MacLaren, for one, because as little more than a political trick. The Tories, said MacLaren, "feel the approach of an election, and they have got to give the appearance of great activity." Still, the issue clearly has political appeal among Conservatives. Said one adviser to Wilson: "The issue is tomorrow's job and, if properly packaged, that is a winner." But the Tories may need more than one well-packaged issue if they are to become political winners once again.

BRUCE WALLACE with  
GARY ALLAN in Ottawa

## National Notes

### FACE TO FACE

Ottawa's Premier Bob Rae declared Brian Mulroney's approach to national unity after a friendly meeting at the Prime Minister's weekend Gatineau retreat. "I think he has a strong feeling for Canada," said Rae. The first meeting between the two leaders since Rae's war government was power last September followed months of sparring. Mulroney acknowledged that the "great industrial heartland" was in a "very strong attack" and expressed his willingness to co-operate in policies to restore the provincial economy.

### NORTHERN TRAGEDY

Quebec Provincial Police Sgt. Thomas Cooper was shot to death and his partner, Const. Kevin Orchard, was seriously wounded while they investigated a weapons complaint on the Gaspé Narrows. A day later, a person involved police at the investigation of the shooting and wounded Const. William Orlowski, who was "doing well" in hospital.

### A CONTROVERSIAL DEATH

Quebec Public Security Minister Claude Ryan ordered a public inquiry into the fatal shooting on July 3 of a black man, Marcian François, by a Montreal police officer. The move came one day after officials in the Quebec justice department said that there were no grounds for being criminal charges against the officer—a recommendation that outraged black leaders.

### AN OBLIQUE APOLOGY

Ben Douglas Crosby, president of the Ontario Conference of Chiefs of Police, the country's largest law-enforcement association, apologized for the physical and sexual abuse that natives suffered at residential schools run by the church between 1830 and the 1970s. In a speech to attending police and natives at a news conference, Crosby said that the church had been part of the "cultural, ethnic and religious oppression" that victimized natives.

### DEFUNDING ON THE DOCKS

An angry mob at Newfoundland's Belmounde burned a Canadian flag after federal officials accused two long-liners carrying 117,000 lb. of cod caught in an area of limits to enforce fisheries. The mob was prevented from more mobbing into the area by police. The mob was also prevented from more mobbing into the area by police. The mob was also prevented from more mobbing into the area by police.

# Starting from behind

B.C. Secreds face a tough election battle

It was obvious from the first whistle-stop that British Columbia Premier Rita Johnston's attempt to translate her Social Credit party leadership victory on July 30 into political momentum with B.C. voters at large was in for a rocky ride. Just two days after emerging as the winner from a party leadership convention, Johnston embarked on a 745-kilometre odyssey to court mayors, aldermen and potential voters in 16 communities in the B.C. Interior. But as the three-week special "travelling tour" of the province, Johnston, just 62, has north of Vancouver, Johnston confronted a hostile gathering of about 20 supporters of the opposition New Democratic Party. Roadside demonstrations were also staged. "Welcome Secreds! Welcome! Fear '91," others, in pointed reference to Johnston's predecessor, William Vander Zalm, who resigned over conflicts of interest in April, read "Zelma's! Not me!" and "Welcome Premier Rita Vander Zalm."

For Johnston, it was an unpleasant reminder that her own party trails the NDP by 16 percentage points in the latest public opinion poll—nearly an election call acquired by law no later than Dec. 3. Last week, skeptics, controversy and slow but lack dogged her initial attempts to close that gap. The two-day trip itself drew considerable criticism because of Johnston's decision to bill the province, rather than the Social Credit party, for the \$55,325 cost of chartering the train from the U.S. Johnston's supporters claimed that the trip was a thinly disguised political campaign swing at public expense. If that was indeed the intent, it was less than successful. Squawak set the tone as protesters outnumbered supporters at most stops. At one, demonstrators waved signs that read "The Great Train Robbery. Taxpayers' loss." Johnston may also have set the stage for his encounter when she hosts the annual premiers' conference later this month in Whistler, B.C. In her policy statements, she attacked both Quebec's constitutional demands and Ontario's economic policy. Bowdoin out Johnston's critics, two of her former rivals for the leadership of the badly divided Secreds publicly exchanged insults. Johnston enjoyed some raptures during her

trip. Charters of cameramen in Williams Lake and Quesnel gave the staunch supporter of free enterprise a warm welcome, as did a town-hall meeting in Clinton and party supporters who joined her at a Secred barbecue in Ladouce. Johnston also maintained a sense of humor about her setbacks. At the train pulled out of Williams Lake, the 56-year-old premier stood



Johnston greets outnumbered supporters at most stops.

on the rear platform and moved to a platform holding a sign saying: "Rita's on the wrong track." Said a smiling Johnston: "I guess we've put her down as 'stupid'."

Still, the ambiguous nature of the occasion dampened Johnston's supporters. From the outset, she had claimed that the trip—which culminated with a meeting of the provincial cabinet in Prince George—was solely for government business, not Premier Michael Harcourt called the trip "a pre-election gray-train packet." But Johnston replied that the Secreds were "taking government to the people," adding: "That is not a packet."

On the trip's second day, Johnston's appearance was dropped away. In a speech at 100 Mile House, 475 km northeast of Vancouver, she criticized Ontario's New government for creating an "economic catastrophe" and launched Harcourt's claim to fiscal responsibility. "Some of politicians who promise more of everything," she told a Chamber of Commerce

audience, "while claiming they can still balance the budget." Johnston also said that her government plans to open an office in Ontario to lure disappointed entrepreneurs to British Columbia. Said Johnston: "Ontario companies are looking for a place to jump to, and where better than British Columbia?" That provoked a sharp rebuke from Ontario Premier Bob Rae, who retorted: "We don't go about building a country by saying we're going to lure business from one province to another." Rae also accused Johnston of understating the B.C. government debt.

Earlier, Johnston had bluntly rebuffed Quebec's constitutional claims. In a statement on national unity just after her election as leader, Johnston declared that Quebec's current position of awaiting constitutional proposals from the rest of Canada "should be decreased tonight," unless that position demonstrates a commitment to the country. Her challenge drew an immediate reply from Quebec City, but the subject is likely to come up when Quebec Premier Robert Bourassa, who has postponed provincial meetings with the other premiers since the failure of the Meech Lake Accord in June 1990, meets Johnston individually before the other leaders gather in Whistler on Aug. 30 and 31. Whistler political insider Johnston might have hoped for from her rail trip was further eroded by a public matchmaking match between former leadership rivals Grace McCarthy and Melville Coover. The subject was Coover's decision to throw his support behind Johnston after he finished third in the first ballot during the leadership race. Several supporters said that Coover made the choice out of concern that McCarthy—who led Johnston by seven votes on the first ballot—would not control provincial spending if he became premier. In a letter sent to the premier earlier, McCarthy wrote strongly to Coover: "I will not sit idly by while my record is besmirched. You should look to your own reputation—it needs a lot of help." In response, Coover issued an open letter of his own, in which he told McCarthy: "You should not blame your losses on me. The majority of the delegates voted for Rita. It's as simple as that."

Learning of the split in real-time, Johnston, who campaigned on her ability to unite Social Credit, acknowledged: "It doesn't sound good, and it is not good for party unity." But doubly clearly was only one of the problems facing Johnston, as she was out for her to engineer a revival of her party's falling fortunes.

By AL QUINN in Prince George

## EVERY TIME ANOTHER INDUSTRIAL BOILER IS CONVERTED TO NATURAL GAS, THE WORKERS ON PRINGLE'S FARM SEEM TO HUM A HAPPIER TUNE.

THE LABOURERS ON Pringle's Farm love to hum as they work the fields.

Lately, however, that happy sound has become more hushed. There's a hush in the air.

Something is disturbing the workers.

What's happening at the farm is a clear signal that our relationship with the environment needs repair. Nature is reminding us that we must change our old ways of thinking.

### MAKE A CHANGE FOR THE BETTER.

We can recycle, reuse and recover. We can be more mindful of the energy we use to heat our homes and fuel our industries and vehicles.

Part of the solution is the greater use of natural gas.

It's efficient, the cleanest of fossil fuels and a plentiful resource we can count on for a long time to come.

More importantly, natural gas can reduce air pollution, lessen the damage of acid rain and help moderate the greenhouse effect.

### FUEL FOR THOUGHT.

Look at the facts.



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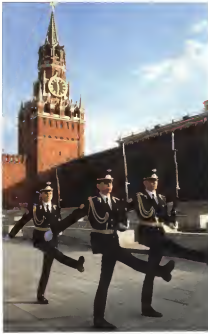
## RED STAR FADING

GORBACHEV WINS  
SUPPORT TO PUT  
THE COMMUNIST  
PARTY ON A SOCIAL  
DEMOCRATIC  
COURSE

Outside the Kremlin last week, Soviet citizens and foreign tourists lined up to take part in one of the most enduring rituals of Soviet society: visiting the tomb of Vladimir Lenin. But even as people in the lengthy queue shuffled toward the granite mausoleum that contains the embalmed remains of the dead leader, his exalted status and the party that he led to power in 1917 were under attack. Still one voice: "I have come to say goodbye, because Lenin may not be here much longer." Indeed, within the Kremlin's Palace of Congresses, senior Communist officials gave preliminary approval to a controversial program to dramatically reform the embattled party. Among the more contentious proposals put forward by General Secretary Mikhail Gorbachev is to abandon the ancient goal of achieving a Communist vanguard in a 50-minute address to the policy-making Central Committee, Gorbachev declared that there are not enough "grounds for believing that this can be realistically achieved in the foreseeable future."

In the past, such an announcement would have sent shock waves reverberating through the Kremlin. But the overwhelming majority of the 432-member committee last week calmly accepted that—and another equally heretical proposal from Gorbachev, that the party ditch the "true ideology" of Marxism-Leninism and move toward modern social democracy. By contrast, Russian republic President Boris Yeltsin managed to provoke Communist anger with a July 29 decree that directly challenged one of the party's prime sources of influence. Yeltsin, who quit the Communist party last year, banned party activities from the workplaces of the largest of the Soviet Union's 15 republics.

**Soldiers at the Kremlin discussing 74 years of Marxist-Leninist dogma**



Outraged Communists swiftly sought to overturn the decree. And although Yeltsin and eight leaders of other republics reached agreement with Gorbachev last week on a draft for a new union treaty, the Russian leader's active threatened a new showdown. Gorbachev pledged to use "all constitutional means, up to and including a presidential decree" to rebuff Yeltsin's order. And at world's end, an influential federal constitutional committee urged Yeltsin to withdraw his proclamation until a solid rule on the legacy of the matter.

Gorbachev himself came under attack even before the two-day plenary session began. A manifesto signed by several prominent army officials gave me a warning on Moscow streets that a military coup was in the offing. Among the 12 signatories deputy defense minister Valentin Vankovskiy and deputy interior minister Boris Grunov, a veteran military officer whose liberal newspaper sometimes describes as the Soviet *Washington Post*. In the manifesto, published by the conservative daily newspaper

preserved the party's nominal unity, although splits between reformers and conservatives have been evident for several months. On July 1, newly prominent Gorbachev associates at Soviet Foreign Minister Eduard Shevardnadze launched Democratic Reform, a fledgling political organization that they closely hope to develop into a credible alternative to Communist rule. At the same time, opponents of such recently formed factions of Communist hardliners as the Belorussian *Pravoslav* have openly called for Gorbachev's replacement. But hardliners did not press the attack at last week's plenum, prompting speculation that they were biding their time until he left, when a full party congress is scheduled to vote on Gorbachev's reform proposals.

Meanwhile, Gorbachev has continued to demonstrate his skills as a tactician in the power struggle between the Kremlin and the Soviet Union's increasingly assertive republics. In his attempt to secure agreement on a new union treaty, he has had to make com-



**Yeltsin and Gorbachev: a heating conflict between two powerful rivals**

Somebody knows on July 23, Grunov and his colleagues accused those who favor such reforms as a threat to economy and the privatisation of property of affecting law and a one-point system.

Certainly, such powerful instruments of Kremlin authority as the armed forces and the KGB remain among the most conservative institutions in the Soviet Union. Still, soldiers and officers at a military base outside Moscow last week told *Pravda* that the army, which includes conscripts from the many subdivisions of the Soviet Union, is anything but monolithic.

Still one 18-year-old recruit from the Volgograd region: "It is not clear what would happen if the generals ordered us to depose the Soviet president?" An officer in the same unit added that most Russian soldiers had voted for Yeltsin in recent presidential elections—despite strong pressure to support conservative candidate Nikolai Ryklov, a former Soviet premier.

For the moment, at least, Gorbachev has

managed, including the staging of the Kremlin's near-bald celebration over the Soviet economy. But last week, Armenian President Levon Ter-Petrossian, who had been boycotting the anniversary and was careful to stress that Armenia had not ruled out secession, took part in the festive demonstrations. As a result, only five republics remain steadfast in their pursuit of independence: Estonia, Latvia, Lithuania, Moldova and Georgia.

These so-called republics republics embody the regional nationalism that is forcing change upon the Soviet Union and its ruling party. Gorbachev later accused competing reformers for Communists to consider reform during the past two years, 4.2 million Communists have left the fold, dropping enrollment to 15 million members. Clearly, the beleaguered party must regain popular support—or join Lenin to a circle of the past.

**MILLER GRAY in Moscow**

## World Notes

## HORROR IN MINNEAPOLIS

Jeffrey Dahmer, 31, stood charged in a Milwaukee court on four counts of first-degree murder and one of federal conspiracy in the dragging, strangling and dismemberment of five young men. Court documents said that Dahmer, a convicted child molester, had admitted to cannibalism in the slayings of 17 people, dating back to 1978. Police in Germany also said that they wanted to question the famous child-laborer worker about the murders of five women in 1979 and 1980, when Dahmer served as an army medical orderly at a U.S. base there. Earlier, police recovered the body parts of 11 black men in a hotel, apartment apartment. Among the black victims were, close several bodies as a refrigerator, a bottle can, a microwave and a scale, and a set of teeth that may have been used to dissolve human remains.

## DAMAGING EVIDENCE

Prosecutors in the case of William Kennedy Smith, who faces trial on charges of raping a woman at the Kennedy family estate in Palm Beach, Fla., on March 26, released sworn statements from three other women who claimed that Smith had sexually assaulted them in the 1980s. None of the women filed charges. Smith, 36, the nephew of Democratic Senator Edward Kennedy of Massachusetts, has pleaded not guilty in the Palm Beach case, but a gag order prevented Smith from responding to last week's charges. Smith's attorneys contacted the prosecution for releasing the statements, saying that publicity about the women's allegations will prevent their client from recovering his trial. They asked a state judge to release or delay Smith's trial, originally scheduled to begin next week.

## ETHNIC PURGE

Yugoslavia's Serbian-dominated military killed nine Croatian civilians, mutilated and buried 17 others in a clearing in the Croatian republic, where the army is deployed ostensibly as a buffer between Croats and the republic's Serbian minority of 600,000. At least 40 other people died last week in fighting between Croats and Serbs in the town of Vukovar, which declared independence on June 25.

## MASSACRE IN MOZAMBIQUE

Mozambique National Resistance rebels rampaged through villages in northern Mozambique, kidnapping as many as 1,000 people, according to survivors of the massacre. The rebels have been fighting to overthrow Mozambique's leftist government.

THE MIDDLE EAST

# Edging towards a dream

An Arab-Israeli meeting now 'is likely'

Israeli Prime Minister Yitzhak Rabin was facing one of the toughest diplomatic challenges of his career. Under severe pressure from Washington to attend an Arab-Israeli peace conference, he declared that he will never surrender territory as part of the process. He added that the Jewish state would not participate in a conference that included a representative of the Palestine Liberation Organization or a Palestinian from East Jerusalem, formerly Arab-controlled territory which Israel annexed after the Six Day War in 1967.

With those assurances, hard-line members of his fragile coalition government dropped their threats to resign, and Rabin said that Israel should welcome the chance to take part in the U.S.-sponsored talks in Washington. White House officials continued to express confidence.

Still, with neither the Israelis nor the Palestinians apparently willing to compromise or negotiation, it seemed unlikely that President George Bush and Soviet leader Mikhail Gorbachev would be able to announce a date for a conference during their Moscow summit this week. White House officials maintained primary, however, that an eventual compromise is possible. And many Washington-based analysts expressed optimism that a meeting will take place. Said the newspaper *Washington Post*: "The confidence is not unrealistic, but it is likely to happen."

The next critical phase in the process will likely arise this week when members of the Jordanian government meet in Amman to discuss the Jordanian-Palestinian delegation to the talks. The Jordanians will give the list to the Americans, who will present it to the Israelis for their consideration. And although Palestinian leaders objected to Israel's having any say in who should represent them, it seemed likely that they will have to accept that condition—or else lose any chance for peace talks.

Rabin said his position came up in Israeli television interviews last week. Asked if the Syrians had any chance of recovering or part of the Golan Heights, occupied by Israel in the 1967 war and annexed in 1981, Rabin replied: "I do not believe in territorial compromise." And he confirmed that he considers the Golan Heights an inseparable part of Israel. But Syrian officials, who reversed their long stand-

ing opposition to direct peace talks with Israel by accepting the American proposal, did not appear to be discouraged by Rabin's remarks. Foreign Minister Itzhak Mordechai said that Rabin had given Syria a written assurance that Israel would cede territory on all fronts in return for peace with its Arab neighbors. Rabin said that the U.S. President believed in the West Bank, the Golan Strip and the Golan Heights. He added that Bush told Syrian President Hafez al-Assad of his "opposition to the annexation of a single inch of the Golan."



Rabin (left) and Shimon Peres in Jerusalem: 'I do not believe in territorial compromise'

Meanwhile, Rabin was firm in his opposition to any Palestinian from East Jerusalem taking part in the talks. His position reflects official Israeli policy, which considers Jerusalem to be the country's eternal and indivisible capital. Indeed, asked by a reporter if he is willing to risk a collapse of the talks over the issue, Rabin replied: "I would rather be accused of that than of propagating the status of Jerusalem."

For their part, Palestinian leaders expressed anger at Rabin's position. Declined Hussein Abu-Nada, one of three prominent West Bank Palestinians who met earlier U.S. Secretary of State James Baker earlier last week. "Palestinian representation is not up for Israeli agreement, veto, selection or conditioning." And

Faisal al-Husseini, who also met Rabin, said that the Israeli position was "unacceptable." Still, the Palestinians were in a weak negotiating position. Their support for Iraq during the Persian Gulf War cost them much of the sympathy of Western countries. And the recalculation of their 44-month-old intifada, or uprising, against Israeli occupation has increased their vulnerability. Said the Brooklyn-based *Forward*: "I suspect Rabin has already told the Palestinians that this is an unhappy truth they will have to live with." Aklil Harvey Solomon, an Israeli expert with the Washington Institute for Near East Policy, "The Palestinians must consider what the value of all getting going negotiation versus stopping it altogether."

Meanwhile, Rabin was expected to return to Jerusalem this week, after the Moscow summit, to present Jordan's list of proposed Palestinian demands. It will be his sixth visit to the region since the end of the Gulf War in February, and if the Israelis find the list acceptable, talks could be convened as early as October.

After a ceremonial opening attended by a United Nations observer, the parties would begin face-to-face negotiations on the specific issues dividing them. With Syria, Lebanon, Jordan, Saudi Arabia and the Gulf states all agreeing to take part, direct talks would signify a 45-year-old dream of successive Israeli governments: a public opinion poll published last week, 78 per cent of the Israelis questioned said that they wanted the talks to take place. It seemed likely that they would get their wish—if the Palestinians will compromise on what should speak for them.

JOHN BREEMAN with  
ERIC SIEGNER in Jerusalem and  
WILLIAM LOWMEYER in Washington



Zulu march in Johannesburg charges that police promoted township violence

SOUTH AFRICA

# Explosive exchanges

A spreading scandal rocks a nation

A wave of damage control engulfed South Africa last week as scandal rocked the government of President F.W. (Pietro) de Klerk. First, a senior secretary in the Zulu-based Inkatha Freedom Party resigned, claiming sole responsibility for depositing a \$700,000 secret donation from police in 1989 and 1990. At a news conference, M.Z. Dlamini insisted that Inkatha's leader, Chief Mangosuthu Buthe, was unaware of the donation—or of the more than \$600,000 that police admitted they gave to an Inkatha-affiliated trade union over the past four years. Then, Foreign Minister Roelof (Pia) Botha announced foreign diplomats to Pretoria to assure them that police profits had ceased. Still, the scandal spread. South African radio called it "Isakhaqiso," or sex, at week's end, the crisis threatened to block critical black-white constitutional negotiations.

The issue at the heart of the scandal is whether the police are still favored Inkatha, but also actively joined members of the conservative group in fighting anti-Apartheid Congress activities. The clashes in the black townships have led to about 8,000 deaths in the past five years. The government denied charges of police complicity. But its credibility has clearly suffered. For years, the government had also fiercely denied such allegations that it was funding Inkatha. And it was only on July 18, when the Johannesburg *Weekly Mail* newspaper first published the contents of secret government documents detailing such payments, that Botha and Law and Order Minister Adrian Vlok admitted to funding the

organization. But they claimed that the money was intended to support only Inkatha's anti-apartheid activities. Still, the secret announced that it will not resume suspended negotiations with Pretoria in a new national constitution and Vlok and Detective Minister Magnus Malan rang—and the government launches an inquiry into the scandal. De Klerk, who held two days of crisis talks with his cabinet, is scheduled to make a statement on the issue this week. If the scandal escalates to mean former Vlok and Malan both hold office, observers say, oppose his peace efforts.

Meanwhile, Anglican Archbishop Desmond Tutu, a leading anti-apartheid activist, criticized de Klerk's delay in responding to the controversy. Said the cleric: "His delay does not seem to resolve the seriousness of the crime." But de Klerk may be willing to determine the effect of other damaging allegations. Democratic Party ex-leader Jonathan last week claimed to have evidence that members of the security forces had supplied weapons and training to Inkatha activists involved in the township fighting. And a former security force sergeant, Felix Mhambane, alleged that members of a covert military group were responsible for last September's massacre of 26 blacks aboard a commuter train. Inkatha's has clearly created a chain of suspicion that may finally compromise de Klerk's campaign to create a new, color-blind South Africa.

MARK BRENNAN with  
CAROL ECKHART in Cape Town



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# One year later

Baghdad braces for renewed allied attacks

Once again, the terrifying elements of war were all in place: the ultimatum of a deadline, the harsh threats of an invasion and the machinery of mass destruction poised to strike across a border. But this time, the hellish rhetoric came from Washington, not Baghdad. And the July 25 deadline was contained in United Nations Security Council Resolution 687, compelling Iraq to disclose the full extent of its nuclear, chemical, biological and ballistic weapons, as well as its gold reserves—or else. Last week, the suspense built in capitals from the Persian Gulf to North America, as a 3,500-member allied rapid-strike force stood at the ready in Turkey, across the border from northern Iraq, awaiting the UN verdict. But approaching the first anniversary of Saddam Hussein's government of tanks and troops into Kuwait before dawn on Aug. 2, the deadline for a threatened air strike passed with a resounding sense of anticlimax.

In a speech to a religious group in Washington earlier, President George Bush took the opportunity to denounce the Iraqi leader as "a man of brutal intent and unadvised evil." But, while regarding U.S. suspicions that Iraq had failed to comply fully with UN demands, White House spokesman Kenneth Papadopoulos pointedly downplayed the deadline. And, it turned out, the UN's fourth successive atomic inspection team was on its way to Baghdad until July 27. Why then, critics demanded, did the Bush administration raise all the noise? Middle East scholars point out that the ultimatum was part of an effort to pressure Hussein into discussing with the new weapon of

Mixing oilfields in Kuwait; Hussein (below): a last act of vengeance

choice: pathological warfare. Indeed, intelligence sources indicate that Hussein's greatest danger now comes not from outside Iraq, but from within, as Washington lurches millions of dollars in covert aid to Iraqi opposition groups and an effort to overthrow him. In one of the first public signs of that goal, Bush's deputy national security director, Robert Gates, told a publishers' conference in Washington last May that "Saddam is discredited and cannot be reformed."

Last week, as the Security Council debated behind closed doors whether to partially lift an embargo and allow Hussein to sell only enough Iraqi crude oil to buy food and medicine for his people, Baghdad residents

craved to stockpile supplies of rice, beans and cooking oil in anticipation of the worst. And they watched anxiously as anti-coalition gains came again spread out on the roads of the capital's tallest buildings. Some of the city's intellectuals, taking advantage of the fact that the government had lifted a travel ban tied to the country's role in supporting Jordan.

Despite some television broadcasts featuring boasts

that Iraqi troops would resist any American attack, the video displayed an appetite for receiving a combat that had already cost as many as 300,000 lives. And in early July, Iraqi armed forces suffered heavy setbacks and casualties when Kurdish guerrillas, armed with Kalashnikov rifles and rocket-propelled grenade launchers, won control of the southern city of Samarra, near the Iranian border, after a bloody six-hour firefight.

Indeed, even Hussein himself, isolated in an international pariah, began overtures of apparent conciliation to the United States. On July 11, former U.S. attorney general Ed Bradley, a Baghdadite as a member of a U.S. humanitarian delegation assessing the war's damage, found himself answered to a surprise meeting with one of the Iraqi leader's closest confidants, his son-in-law and defense minister, Hameed Kamil Hussein. But in the hour-long confidential session, the presidential pick-up man reportedly told the respected Washington lawyer that Iraq was anxious about meeting improved relations with Washington and its Arab allies.

But perhaps no event more clearly emphasized Hussein's hesitation than the fact that, nearly a year since he avoided Kuwait in a quagmire of oil prices, and Iraq shelled its oilfields after a last act of vengeance, Kuwait last week reported its first shipments of crude. In contrast, Hussein, who had tried last year to boost oil prices as an effort to pay off his \$90-billion debt from the 1980-1988 Iran-Iraq war, has been unable to ship more than a few truckloads of Iraqi crude to Jordan since a

the embargo cut off his pipelines on Aug. 14 last year. His oil industry has 16 tanks, and the price of oil is now averaging just over \$20 a barrel, only \$2 higher than when he began his adventures. But, in a final trap, oil analysts predict that if the US allows Iraq to resume exports, the effect on the world market, coupled with Kuwait's revised production, could send prices plummeting.

Despite the fact that the last 1,500 US troops left northern Iraq in mid-July, there was no doubt that Bush both the public support and the military capability to launch another air strike on Baghdad, or personal political reasons at all-time high. And a bipartisan poll, released last week by a Washington-based group calling itself the American Talk Issues Foundation, showed that 80 per cent of respondents still believe the nation "did the right thing" by going to war in the Persian Gulf. Indeed, it remains the poll conducted Bush's claim that the country has now won against its so-called Vietnam op-

ponents, dying from military entanglements on distant shores. A stunning 79 per cent of those surveyed declared that they now favor the use of U.S. military intervention should the planning and execution do not seem to be working.

But Bush was under pressure from several Arab leaders, whose support he now needs for a Middle East peace conference, not to immediately launch another air strike on Iraq. And some wing radicals at a time when the world is still haunted by the positive images of massive Kurdish suffering could also revive increasing questions about just how much the 42-day Persian Gulf War achieved. Last week's poll showed that only 60 per cent of respondents now agree that the war was a great victory, down 82 points from last March. And the Bush administration has found itself undermined by the speedy and ruthless return to incoherence in the Kuwaiti regime it championed as the Persian Gulf.

Only after appeals from Bush and British Prime Minister John Major did Kuwait's amman in late June that it was considering 30 death sentences passed against accused collaborators who had not been allowed lawyers under the country's martial law. One death sentence for a 35-year-old scientist for wearing a T-shirt bearing Hussein's portrait. And de-

mons, dying from military entanglements on distant shores. A stunning 79 per cent of those surveyed declared that they now favor the use of U.S. military intervention should the planning and execution do not seem to be working.

But the use of Baghdad's full nuclear disclosure raises the awkward issue of some U.S. allies' clandestine capacity to produce atomic bombs—notably Pakistan and Israel. And the situation also poses the awkward question of who supplied Hussein with chemical and biological weapons in the first place. Indeed, one of the key concerns that fueled the delay until September of confirmation hearings for Gates, Bush's director-designate of the Central Intelligence Agency, was a series of media charges that he personally reversed the transfer of U.S. arms, including the technology to wage chemical warfare, to Iraq through Egypt.



Kurdish rebels in northern Iraq keeping up pressure on the Baghdad regime

ports recovering Kuwait's national council on July 8, the anti-Bush al-Shir al-Islam, continued to ban political meetings of the increasingly isolated opposition.

But most frustrating of all for the White House has been the revelation that, despite U.S. claims of having destroyed 80 per cent of Iraq's nuclear facilities in the early days of the war, Hussein still possessed enough carefully concealed enriched uranium to create weapons. Over the past two months, a defuncting Iraq nuclear scientist and a series of impec-

able to the UN continues to debate whether to ease its embargo against the man who once ruled as the West's best arms customer. Hussein, freshly branded a man of evil, might take this offer of a truce as a sign of weakness. But in a speech last week in Moscow, Bush is scheduled to sign a nuclear-energy treaty with the leader of a nation that, only eight years ago, Bush's predecessor, Ronald Reagan, declared an enemy empire.

MARCI McDONALD is in Washington with correspondents' reports

# A BANK OF SCANDAL

**THE MASSIVE  
BCCI FRAUD  
RAISES A QUESTION:  
WHY DID THE  
AUTHORITIES NOT  
ACT SOONER?**

**A**las Haiti: the world's most wasted territory, transformed an accident—under the pseudonym Skokor Pheba—into a discreet branch on London's fashionable Sloane Street, and steps from Harrod's department store. Skokor arms dealer Akmal Khawaja performed the pain-draped charade of the Hassan Carlo office to finance his covert DRR weapons shipments to Tehran in what became known as the Iran-Contra scandal. And former Panamanian dictator Manuel Noriega was so impressed with the personal service at the Panama City branch that he deposited at least \$15 million and had an aide review the bank's facilities on a U.S. narcotics ring searching for a place to launder its profits. That roster of shrewd clients attracted the attention of regulators, who on July 5 closed down the operations in Canada, the United States, Britain and five other countries of the Luxembourg-chartered Bank of Credit and Commerce International (BCCI).

But less than an week of the most massive fraud in banking history rocked London and Washington and sent stock markets around the world into a panic. The main issue was why authorities took so long to act. In fact, representatives of the \$22-billion global financial regime had pleaded guilty to money laundering in Florida in January, 1996, and had attracted the interest of law-enforcement and banking authorities, including regulators in Canada, for at least a decade (page 39). Still, officials at several countries showed a curious reluctance to investigate in substance that former Central Intelligence Agency deputy director Robert Gates referred to in 1988 as the "bank of criminals and our own international." One public explanation, BCCI had branches in hot spots, including the CIA, which Pakistani officials say may have used the bank's murky networks to fund covert operations in Afghan-



The wreck of Pan Am Flight 103 at Lockerbie, terrorist and payoffs

stan and elsewhere. But former Senate ambassador Jack Felt, "How many people have an interest in the lid being kept on this particular stew pot? The answer is lots of people."

Charges of a politically motivated cover-up of BCCI activities spread mostly last week through many of the 68 countries where the bank operated. In Britain, Prime Minister John Major responded angrily to news of the bank's collapse with rage to Labour leader Neil Kinnock's allegations that he had been "at least negligent" in not moving against the bank during its terms in office. The charge of the exchange from October, 1989, until he became Conservative party leader late last year. Referred Major: "If you are saying I am a liar, you had better say so publicly. If you are not, you had better stop repeating it. Meanwhile, The Wall Street Journal reported that U.S. officials are investigating potential financial irregularities by prominent unnamed U.S. political figures whose names were discovered in BCCI records.

The focus over the London-headquartered bank threatens to haunt the British and U.S.

governments for months to come. Testifying before a Commons committee last week, Bank of England governor Robin Leigh-Pemberton conceded that his officials had known of financial irregularities at the bank as early as April, 1990. He added that a regular audit of BCCI, which had been filed with the central bank that month by the international accounting firm of Price Waterhouse, found transactions that were "either false or deceitful." A second report six months later was so damning that the day after Price Waterhouse delivered it to the Bank of England last October, the bank's founder and president, 68-year-old Pakistani entrepreneur Aga Hameed Akbar, and his chief executive, Sheikh Nephthi, resigned.

Despite those warning signals, it was not until a third officer's report on June 8, which detailed "one of the most complete deceptions in banking history," that England's central bank stepped in. Only after its officials had studied 6,000 pages of Naghi's private files, which revealed BCCI's efforts to hide as much as \$500 million in unrecorded deposits, did the

Bank of England conclude it had evidence of "massive and widespread fraud going back over a number of years." Deceased Leigh-Pemberton: "The culture of the bank is corrupt."

The extent of the alleged criminality has stunned even veteran financial investigators. They charge that between \$5 billion and \$17 billion remains unaccounted for as an intricate maze in which bank debts were transferred through secretive tax havens and that included a mysterious Capricorn Island-based "bank with-

charge" that former president Alan Griefs had used BCCI's Panama branch to host the national treasury before leaving office last year, enabling him to enjoy a luxurious lifestyle in spite of his current \$2.5 million salary. In Argentina, Ghosh Pharoan, an Arab-financier who moves in high political circles in the country, is a leading suspect in several investigations of BCCI. And in Bangladesh, hundreds of BCCI's 40,000 state deposit holders dissatisfied outside the bank's local branch, which closed its doors on July 6.

In Bangladesh, as in other Third World countries, the explosion on BCCI is certain to have far-reaching effects. Illegal practices, BCCI's massive losses and its impotence in developing countries have long depended on BCCI for loans that other international banks regarded as risky. BCCI's reputation as the Third World was far from enhanced by the fact that it financed several charitable organizations and had funded an international magazine, South, devoted to Third World issues.

But the scandal's impact was wider-reaching in a country where BCCI claimed few deposits—at least officially. In Washington, Attorney General Richard Thornburgh found himself on the defensive against charges that the justice department had repeatedly failed to act on the growing evidence of criminality by BCCI. For the past two months, New York county district attorney Robert Morgenthau has accused federal authorities of refusing to cooperate with his two-year investigation of the bank. But in the scandal's wake, justice representatives sharply criticized that the work one of their top officials will meet Morgenthau.

For his part, Thornburgh pointed out that his office is so far the only one in the United States to prosecute BCCI. In January, 1990, the bank and five of its employee executives pleaded guilty to federal charges of money laundering in Tampa, Fla., paying a record fine of \$17 million in exchange for being allowed to remain in business. That case had its origins in a 1986 investigation led by Senator John Kerry, a Massachusetts Democrat who first exposed Morgenthau's allegations of BCCI. Last month, Kerry announced the attorney general's office of failing to pursue the bank's top officers or other docu-

Sheikh Nephthi cox



## Business Notes

### LIGHTING THEIR FIRE

The Quebec Superior Court ruled that a 1990 federal law banning the advertising of tobacco products contravenes the Charter of Rights and Freedoms and is therefore unconstitutional. Montreal-based Imperial Tobacco Ltd. and Toronto-based I.Q. Macdonell Inc. had challenged the federal Tobacco Products Control Act, arguing that the act had violated Canada's constitution because of a constitutional right to information about a controversial product. The Ontario government, which has the right to regulate tobacco, said that the Health and Justice officials will study the ruling before deciding whether to appeal. Tobacco company officials said that they interpret the ruling to mean that they can resume advertising immediately.

### ALGOMA GETS A BREAK

A \$40-million bridge loan has provided a temporary reprieve for 6,000 employees at Algonquin Steel Corp. in Sault Ste. Marie, Ont. The Ontario government, Algonquin employees and Algonquin's parent, Hamilton-based Dofasco Inc., guaranteed the loan, which will enable the steelmaker to continue operations while it seeks to restructure \$800 million in debt by Oct. 31.

### DEAN WYTER SAYS GOODBYE

Toronto-based Midland Waters Capital Inc. purchased rival Dean Wyter Investments (Canada) Inc., the last U.S.-based retail brokerage in Canada, for more than \$18 million. The deal will make Midland the largest retail brokerage in Canada, with 900 sales executives across the country.

### THE PRICE OF OBLIVION

After almost a year of silence, Corporate Corp. disclosed its reasons for abruptly firing former chairman and company founder Richard Campous last August. The struggling real estate giant's board of directors said that it fired Campous because he refused to carry out its plan to merge the debt-ridden company. A Campous family spokesman declined to comment on the board's statement.

### THE CALL OF CAPITALISM

The Soviet Union said that it will sell at least 30 per cent of the Volga Automotive Plant Association, the country's leading producer of passenger cars, including the Lada. Analysts said that they expect Italian automaker Fiat SpA, which helped build the Volga plant in 1987, to be the successful bidder, making it the first foreign investor with a large stake in major Soviet industrial company.

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mental allegations of water smuggling. Said Kerry: "In 1988, we knew the bank was an international scam."

Most damaging is evidence that federal regulators ignored intel last year that a former bank official, the BCC secretly bought control of three U.S. banks, one based in Washington. This fall, the House of Representatives banking committee began hearings into how Alish and disreputable BCC—already viewed as a previous attempt to buy a U.S. bank because of questions about BCC activities—used a complex system of loans to Alish shareholders to take over the capital's largest bank holding company, eventually renaming it First American Bankshares in 1991.

Central to this inquiry is one of Washington's most distinguished power brokers: 86-year-old Clark Clifford, who served as President America's chairman—and BCC's lawyer. A former defense secretary under Lyndon Johnson and as advisor to every Democratic president since Harry Truman, Clifford now faces possible criminal charges for his 1982 testimony to the Federal Reserve that BCC had no direct involvement in its bank holding company. Clifford, however, says that he was "duped" by BCC and had no idea that the two banks were closely connected.

Clifford was only one of many political, editorial, figures whom BCC's founder, Alish, managed to befuddle. Among his closest associates and staunchest defenders, former president Jimmy Carter, inside the entrance to the Carter Center and presidential library in Atlanta, opened in 1982, the Panama bank's name is carved in stone as one of two chief donors who contributed \$575,000. He also served as co-chairman of Carter's Global 2000 Inc., a foundation designed to promote Third World agricultural and environmental projects, to which he has donated \$8.2 million over the past five years. The co-chairman, right-wing, Japanese billionaire Ryusuke Sasaki, who once called himself "the world's wealthiest peasant."

Another recipient of the banker's largesse was the Costa Rican ambassador, to which was Carter's 25th ambassador and is now an Atlanta resident. He acknowledged receiving a \$57,000 interest-free loan from Alish over 14 years, in return for introducing him to Third World leaders. In Britain, BCC sought out the aid of former Labour prime minister James Callaghan, once listed Alish as a figure of "deep moral concern" because of his willingness to support Third World projects. And US Secretary-General Javier Pérez de Cuellar acknowledged last week that he had used a private jet owned by a major shareholder at BCC as far as mid-1989.

Those connections may help explain official reluctance to pursue the allegations that have dogged BCC for at least a decade. But even

more effective in discouraging regulators may have been the discretion and global facilities that BCC offered to intelligence agencies in several countries. Last week, Leigh Pemberton confirmed that the Bank of England began by March, 1988, that 260,000 transactions were being processed with BCC's London branches. Published reports in Britain said that as many as 11 terrorist groups—possibly including the one behind the 1988 bombing of the Air Page 133 near Lockerbie, Scotland, that killed 270 people—had used BCC accounts.

Indeed, led by Abu Dhabi ruler Sheikh Zayed bin Sultan al-Nahyan, time to work out a compensation package for small depositors and former staff. In fact, sources close to the investigation and that now reside in U.S. and British industries failed to tell last fall about BCC was that they feared offending Sheikh Zayed, who had just injected \$1.15 billion into the bank—and who was closely allied to the U.S.-led forces in the Persian Gulf War.

The BCC scandal has exposed a similar network of which spies, terrorists and eco-



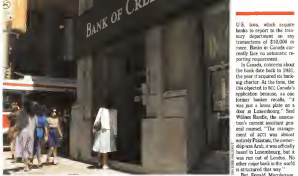
Abu Dhabi authorities feared offending a staunch ally in the Persian Gulf War

to finance their activities. And Pakistan's finance minister, Shaukat Aziz, last week said the bank's Karachi operation had landed profits from the country's huge heroin trade. But the bank's links with terrorist leaders, arms dealers and drug smugglers appear not to have prevented the CIA from using BCC to fund fighters in covert and its Afghan resistance fighters and cooperative Pakistanis over the past 11 years. As Thomas Blanton of Washington's independent National Security Archive pointed out, the same secrecy that appeared in underworld groups made BCC a natural haven for covert operations.

For the past month, thousands of BCC's 115,000 British depositors—many of them sleepwalkers from the country's financial crisis—have packed banks full of British headquarters to protest the shutdown, which could cost some their life savings. In response, a High Court judge delayed the central bank's request to liquidate BCC until this week in order to give its new chief share-

holders of death-tradit assets, loans and property—in some cases, under the cloak of national security. Financial regulators and police forces in several countries are now discussing ways to shield that shadowy network and prevent any further BCCs from ever again evading international scrutiny. But Rod Stanger, for one, the former head of the BCC's commercial and economic crime division and now partner at the accounting firm Arthur Peat Marwick Thorne in Toronto, says that he doubts that regulators will achieve such a goal for at least two decades. He added: "There are too many pieces of the puzzle. And there's no real replicated capability to take the lead of action one would expect on the international level." That complexity is already baffling investigators as they pick over the pieces of the BCC puzzle, which, they predict, may take years to put together.

MARCI McDONALD is in Washington and ANNE W. PHILLIPS is in London.



BCC Canada office in Toronto. It's dead. All that's left is the burial

## A scandal in waiting

### Regulators say that BCC Canada was clean

Henry Jones says that he was "as surprised as every other Canadian" when he learned of the demise of the Bank of Credit and Commerce Canada, the Canadian subsidiary of the Bank of Credit and Commerce International. A former senior deputy commissioner, Jones retired from the force in December, 1989, and five months later began advising BCC Canada on how to convert it from being a bank for money laundering—the investment of money made in illegal enterprises. Jones, who declined to reveal how much he was paid for his advice, told Maclean's that he believed BCC Canada operated in good faith despite the scandal now surrounding the bank and conspiracy for money laundering in the United States. Declared Jones, 57: "The bank undertook an extensive review to ensure that there were no problems in Canada that would develop along the lines of the problems they encountered in the United States."

Jones's view of BCC's Canadian operations appears to have been widely shared among Canadian authorities and regulators. Still, in 1988, the year obtained a search warrant for BCC Canada's Vancouver branch while investigating a local lawyer suspected of involvement in a multimillion-dollar drug profit-sharing agreement. Steve Sergeant, a former RCMP officer who now works in the Ottawa office of the domestic accounting practice of KPMG Peat Marwick Thorne, and that a separate drug-related

investigation in 1989 involving people in Vancouver and Texas also turned up connections to BCC Canada's Vancouver branch. In addition, the Canadian Bankers Association voted objections to BCC Canada's application for a license in 1981 on the grounds that the bank's operational structure was unworkable and complex. For his part, Sen. Macdonald, partly at Jim Roffey's call, in the House of Commons finance committee to investigate the government's handling of BCC Canada. Said Macdonald: "Something was rotten at that bank, and we want to know what was done."

Despite the two Vancouver cases, RCMP spokesman André Gauthier said last week that he is "99.9 per cent certain" that the bank has never been the primary target of an active investigation. Meanwhile, Michael Macdonald, the federal superintendent of financial institutions, told Maclean's that he could not recall being told about either of the two Vancouver RCMP drug investigations. He added, however, that he and his officials were concerned about the soundness of some of the bank's loans. Said Macdonald: "We've obviously had this bank under very close watch for some time."

But in the United States, law enforcement officials have long targeted Canadians a lawbreaker drug smugglers trying to conceal the source of their earnings. Money laundering was not even illegal in Canada before July, 1989. Even now, the Canadian legislation is less strict than

U.S. laws, which require banks to report to the treasury department on any transactions of \$10,000 or more. Banks in Canada currently face no automatic reporting requirements.

In Canada, concerns about the bank date back to 1983, the year it acquired its banking charter. At the time, the CIA objected to BCC Canada's application because, as one former banker recalls, "it was just a loose plate on a door at Lancaster House." Said William Macdonald, the country's current minister of finance, "the bank's current financial position seemed sound." The management of BCC was almost entirely Pakistani, the company's main office was in London, but it was run out of London. No other major bank in the world is structured that way."

But Donald Macpherson, the federal government's deputy superintendent of financial institutions, said that the fact that BCC had operations in dozens of developing countries was not, in itself, a reason to reject its request for a charter. Macdonald and his team have concerns during the past year has been to ensure that BCC Canada remained solvent and that its depositors' money was protected. By law, bank regulators are prohibited from releasing details about an individual bank's lending and borrowing activities. But Macdonald, a former executive vice president of the Bank of Montreal and now a director of BCC Canada, said that the bank was into problems recently because of its heavy investments in commercial real estate. Since May, 1990, Macdonald said, the bank has closed four of its eight branches. It also reduced its lending activities and allocated a \$25-million capital cushion from the bank's general assets.

According to Jim Pearce, vice-president of the Canadian Deposit Insurance Corporation, the bank had about 4,500 depositors in Canada, most of them individuals and small businesses with ties to Asia. He added that when the bank was shut, it had \$160 million worth of deposits, but only \$32 million of that is covered by CIDI.

Macdonald said that there is a possibility that the bank will reopen if authorities in London are able to persuade the bank's shareholders to accept more capital to help the company. But the bank's own officials are pessimistic. Declared Omar Rihan, the Toronto-based general manager of BCC Canada: "It's a lost cause. There is no confidence left. The Bank of England has shocked us, and now it's dead. All that's left is the burial." And, he might have added, the post-mortem.

RENEE MCGILLION and BRUCE WILKIE are in Ottawa.

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BUSINESS

## Farewell to frills

*Shoppers are flocking to spartan warehouses*

The parking lot surrounding the Price Club outlet in Mississauga, Ont., is jammed with cars, many of them expensive imports. In contrast, the interior of the store—a sprawling complex the size of two football fields—is furnished as sparsely as a warehouse. The bare concrete floor is lined with rows of 25-foot-high metal shelves displaying everything from toilet paper to televisions. In the central aisle are racks of clothing, piles of

350-600 members for its eight outlets in Western Canada, says Edward Maron, the company's senior vice-president and general manager. Indeed, the concept of stripped-down, membership-only warehouse stores has caught on so rapidly that many mainstream retailers are trying to emulate some of their practices. Declared Toronto-based retail analyst John Wootton: "The warehouse chains are shaking up the market."



Costco outlet in Surrey, B.C.: 'There is tremendous room for growth'

ties and even a satellite dish 10 feet in diameter. For shoppers, however, the mass attractions are the deeply discounted prices—on average, as much as 60 per cent below those charged by established retailers. "I couldn't believe what I saw the first time I went in there," says Paul Stouthamer, vice-president of a Toronto-based graphics firm. "The prices are amazingly low." Stouthamer adds that he now shops at Price Club almost weekly for office supplies, as well as for his home.

This has become a common practice. About one million consumers have paid the \$18 annual membership fee to shop at the 11 Price Club outlets in Ontario, Quebec and British Columbia, according to Vernon Magnaldi, president of Laurel, Que.-based Price Club Canada Inc. A similar discount chain, Burnaby, B.C.-based Costco Wholesale Canada, has attracted

In return for bargain prices, shoppers who belong to warehouse clubs sacrifice frills. Customers have to pay for cash at checkouts—the stores refuse to accept credit cards, to avoid commissions that add to their costs—and they provide minimal service. Selection is also limited because the stores generally carry only one brand in each product category. Many smaller items, such as detergent and napkins, are usually available in bulk quantities only. And the models themselves do not advertise and they make little attempt to display their wares attractively.

In the United States, the membership warehouse industry—brought by California businessman Sam Price, who opened the first Price Club in San Diego in 1955—was the fastest-growing sector in retailing. Now, four chains dominate the \$29-billion annual U.S. member-

ship-warehouse industry, but only Price Club and Costco have moved into Canada. Maron would not reveal expansion plans for Costco, but Magnaldi said that he plans to open 19 more Price Clubs by 1995.

Wholesale clubs were originally designed to serve small and medium-sized businesses, such as variety stores. By belonging to a club, small businesses can benefit from the same volume discounts that large corporations negotiate with their suppliers. At both Costco and Price Club, however, membership is open to any wide variety of shoppers. They include owners and managers of registered companies, members of certain designated organizations, such as credit unions, and public-sector employees. Once they are, they can buy for their personal, as well as their business-related, shopping. According to Wootton, the memberships enable the wholesale outlets to screen for shoppers who can pay their bills and are least likely to steal.

The rapid growth of both Canadian chains is clearly a challenge to more conventional retailers. In May, Loblaw International Merchants, the private-label division of Loblaw Cos. Ltd., launched a counterattack by introducing so-called Club Packs at its 324 Canadian retail stores. The company's advertisements feature such bulk-packaged products as toilet paper, dog food and coffee. Still, Loblaw International Merchants president David Nichol insists that Price Club and Costco have had little impact on his business. "There are too few of them, and they are too far apart," he says.

But Nichol adds that the success of the wholesale clubs does demonstrate the intense new price-consciousness of consumers. Says the Loblaw president: "In the 1980s, consumers were obsessed with convenience. The wholesale outlets have shown us that now people are willing to drive past two or three supermarkets to get a great deal." In fact, Nichol says that the Quebec company that supplies Loblaw's with bulk-packaged bath-tissue recently had to add two more shifts to keep up with demand. "We can't figure out what people are doing with that much toilet paper," he adds.

Several other Canadian companies are also planning to enter the warehouse-style retail market. The Meislin Cos. Ltd. recently announced plans to open two 125,000-square-foot retail outlets in the Greater Toronto Area. Home Improvement Warehouse, next year, will open two to follow by 1995. And Canada's Tire Corp. Ltd. said last month that it is experimenting with a warehouse-style store in St-Hubert, Que., which is set to open this fall.

Officials at both Price Club and Costco claim not to be unduly alarmed by the threat of competition from more traditional retailers. Costco's Maron, for one, says that his company's success so far may be Canadians shop in just starting. He added: "We're only scratching the tip of the iceberg. There is tremendous room for growth." Among Canada's traditional retailers, that approach seems destined to force far-reaching changes.

BARBARA WICKENS



ITS TOUCH OF CITRUS MAKES IT SMOOTH



SEAGRAM'S GIN



## Want a big raise? Move to America

BY PETER C. NEWMAN

Just because nobody is pouring tea into Victoria harbor doesn't mean we don't have a tax revolt in this country. It's called cross-border shopping, and it is expected to cost Canadian retailers about \$5 billion this year alone, as "I bought it in the United States" becomes an even more fashionable refrain.

Shoppers are flooding across the 49th parallel in such numbers that private retail stores in border cities like Vancouver miss out the waiting time at customs borders, right after their hourly news bulletins. At the same time, the inhabitants of the communities on the U.S. side of the border are finding their lives and businesses disrupted—not always profitably. This is especially true for some of the smaller towns, settled by people who wanted to get away from the big-city bustle, such as Saratoga, in the southwestern corner of Washington state.

"We've not only lost control of our town, but the whole economy has unravelled," complains Bruce Brown, publisher of the weekly *Semot Autotrade*, who calculates that his community has lost gasoline pump for every three residents "there in a little town of 743 people, and you've got gridlock at 11 o'clock nearly every morning."

At Canadian increasingly shop in the United States and learn to appreciate the bargains—with some goods selling at nearly half-price, after including a sales tax and a transfer service (the clerks actually stop going on the phone long enough to take your name)—they get a taste of the American way of life. They insist on competing not only on prices on food, gasoline and clothes, but taking a good look at the different levels of wages, salaries and, especially, income taxes in the two countries.

The results are glaring. Almost any educated and middle-class Canadian can increase his or her disposable income by up to 40 per cent, simply by pulling up stakes and moving to the United States. There are many better reasons for

*There are better reasons for staying Canadian, but eliminating income disparity is essential to our future*

remaining Canadian, but eliminating such economic disparity is just as essential a national problem as finding a new constitutional arrangement. Ottawa's reaction to this situation—providing export loans for the fringe border market and helping provinces collect their sales tax—hardly seems an adequate response.

Robert Brown, the chairman of Price Waterhouse Canada, a Toronto-based accounting firm, recently set out to survey the disposable-income differences in the two countries. His report is a time bomb. "My focus," he says, "was primarily on executives, senior professionals, entrepreneurs and top academics because they are most likely to transfer between the two countries for career purposes and, arguably, are the least likely to leave each country would have to lose."

The dramatic differences in the taxes collected between the United States and Canada is reflected in a rates charged than in deductions allowed. In the United States, unlike Canada, where mortgage interest payments, state income tax as well as real estate taxes are all fully deductible. On top of that, the tax rates are often smaller.

Brown's calculations did not include the GST,

which has no equivalent south of the border. But he does point out that sales taxes throughout the United States are, on average, two percentage points less than the provincial average in Canada.

When Brown's survey added up all the taxes that families pay, the end inequalities became apparent. According to his calculations, a married executive with two children who owns a home, earns an income of \$300,000 annually and whose spouse isn't working would pay taxes of \$47,790 in Calgary, compared with only \$21,380 in Houston—or \$38,360 in Toronto as against \$56,400 in Chicago. "As a generalization," says Brown, a married Canadian taxpayer in this bracket "will pay at least \$50,000 more than his or her U.S. counterpart." (These and all other figures are expressed in U.S. dollars.)

When the salary of the example Brown takes is moved up to a chief executive officer's level of, say, \$500,000 annually, the differences grow even more startling—Calgary starts in their golden income would cost \$119,000, compared with \$179,400 in Houston, while the Toronto total is \$225,800 as against \$342,600 in Chicago. (The highest Canadian taxes at that stratosphere are levied in Quebec. Such income earners pay \$394,300.)

Apart from taxes, the cost of housing is one of the largest differences between the two countries. A four-bedroom house of roughly 3,000 square feet, purchased with a 20-per cent down payment, including real estate taxes, mortgage payments, insurance, utilities and routine maintenance, would cost \$42,000 a year in Calgary, compared with only \$18,800 in Houston. The cost gap between some of the other cities in the survey is less dramatic.

The difference in the cost of living (which in the Price Waterhouse example is based on a shopping basket of goods and services) between the two countries is less, but is still further evidence of higher costs in Canada; for a family of four, it is \$39,600 in Calgary and \$26,400 for Houston, with differences of only \$5,180 between Toronto and Chicago, and \$3,980 between Montreal and New York City.

Taking all these expenses together, Brown concludes: "A married person with an annual salary of \$300,000 living in a large Canadian city would find that he or she is managing deficit of between \$17,500 and \$32,000 to maintain the same standard of living as that same individual could maintain on that same income in, say, Chicago. At the extreme, there would be a difference of \$55,000 in disposable income between a married individual living in Toronto and in Houston."

Like most of us, Robert Brown is staying in Canada. He acknowledges the fact that the demand for Canadian tax experts is at its best in the United States may have something to do with that. But there may come a time for others when the decision to remain in Canada becomes more difficult.

To be a resident of those northern latitudes has always implied some economic sacrifice. But unless we can smooth out some of the glaring disparities, being Canadian could become an endangered species.

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CADILLAC  
STYLE

## AN ISSUE OF HONOR

In 1987, the racy British tabloid *Sunday Mirror* and *The People* had a field day alleging that there had been an affair between Canadian publicist Katherine Kirk and Mark Phillips, Princess Anne's husband. But last week, Kirk won apologies and compensation damages for libel from the newspapers, both of which had called her "Mark's secret mistress." Her lawyer, George Gowers, told Britain's High Court: "It was plainly implied by both newspapers that a sexual affair was taking place." Kirk, who now lives in New Zealand, has declined to comment publicly.



Kirk's "ultimate love fantasy"

## SAND AND SEX

Ten years ago, the teen movie *The Blue Lagoon* made Brooke Shields, then 15, a star. Now, Seattle-born Sade Jovvick, whose family moved to California in 1981, will follow in Shields's footsteps with her role as an orphan in the film's sequel, *Return to the Blue Lagoon*. And although Jovvick is only 15, she says that she understands the romantic appeal of a movie about two adolescents alone on a South Pacific island. Sade Jovvick: "It's the ultimate love fantasy. To be stuck on an island with the person you love—and no interruptions."

## One more time

As if it didn't hurt enough, actress Elizabeth Taylor once replied: "Never say never." Last week, Taylor, 59, lived up to her words by announcing that she would marry construction magnate Larry Fortensky—20 years her junior—on Oct. 5. Taylor met the two-time married Fortensky in October, 1968, while both were receiving treatment at the Betty Ford Center near Palm Springs, Calif. in a program of treatment. Taylor divorced "After being here for four years, Larry and I finally decided we wanted to spend the rest of our lives together." The ceremony is scheduled to take place at Napa Valley, exclusive, rock singer Michael Jackson's palatial La Tijera estate.



Taylor: marriage number 5

And the two-time Academy Award-winning actress, who was once married to actor Richard Burton, vowed that this would be her last time. Sade Taylor: "I always said I would get married one more time and, with God's blessings, this is it, forever."

## BRUSHES WITH THE LAW

At 64, the flamboyant American and lawyer Melvin Bell continues to delight his fans and outrage his opponents. Bell, who has appeared on TV shows as well as defended such high-profile and named clients as Jack Ruby, Jimmy Butler, Zsa Zsa Gabor and The Rolling Stones, presided over a Toronto seminar last month during the American Trial Lawyers Association's annual convention. The San Francisco-based lawyer, who has dedicated much of his professional career to representing the victims of political repression and to such environmental disasters as the Exxon Valdez oil spill, says that his personal life has been as chaotic and colorful as his law practice. "I married my last wife in Japan and a hotel chain Tokyo to Osaka," he said. And after two marriages and a fifth that ended in estrangement, Bell says that he has no affection for divorce lawyers. Declared Bell, who said that he hates to lose: "They're repulsive people. I'm going out now for being a warlord."



Bell: a chaotic and colorful life

## Getting close to the blues

Once called "the prince minister of blues" by legendary bluesman B.B. King, Canadian singer Norman (Dutch) Macdonald has just released *I'm Back*, his first album in nearly a decade. But Macdonald says that he prefers performing in clubs to recording in studios. Added Macdonald: "With the blues, you should be in a bar where people are sitting and close to you, so you can look and talk to them when you play. And the smaller the bar, the better."



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First Nations from Asia had sailed, of course.

When he discovered the Americas?  
The answer matters right  
now to at least the Nordic  
organizers of a voyage from  
Norway to Newfoundland to  
retrace the world that, 10 cen-  
turies ago, Leif the Lucky "lighted on those  
beads whose existence he had not so much as  
dreamt of before." It also counts among the  
transatlantic specimens of events that, some  
year, will celebrate the 500th anniversary of  
Christopher Columbus's "discovery of Amer-  
ica"—celebrations that the Viking voyage is

minimized, in part, to upstage. And it is an ignominy to native people, who note that their ancestors discovered the New World at least 33,000 years before Leif arrived. Such claims and counterclaims not only color the Viking and Columbian anniversary celebrations; the controversies also stir up debate about whether it is a time for abolitionists of the American to declare independence from their history, with its divisive Eurocentric overtones. Saul Ray-  
say Cook, a professor of history at York University in Toronto: "We have been here long enough not to be European anymore."

The debate has its deepest roots in the rivalries of the European navigators and their royal sponsors—Spaniards and Italians, French and English, Portuguese and Scandinavian. It was a competition that is reflected now as political conflicts and social frictions in the lands that those adventurers opened, it was inevitable, to eventual European settlement. "Canada's history," says a recent edition of *Canada's Handbook*, a federal publication that is often provided to immigrants, "has been

shaped by two factors: the perennial debate about the proper relationship between anglophones and francophones, and the evolution of Canada's links with both Great Britain and the United States."

**Claims:** That history may be traced in a direct line from the voyages and conflicting tales of John Cabot in 1497 and Jacques Cartier 37 years later. Cabot, born Giovanni Caboto in Genoa and inspired by the 1492 voyage of his compatriot Christopher Columbus (Christopher Colombo), sailed from Bristol for King Henry VII of England. Cartier sailed under the commission of King Francis I of France from St. Malo, in Brittany. The settlers who began to follow them in the 1600s, and the later immigrants from all parts of the "old world," brought with them the seeds of a current debate over state-sponsored multiculturalism. That is a policy that many Canadians now regard as divisive, one the link 17 report of the Citizens' Forum on Canada's Future, headed by Keith Spicer, "is that they treated Canadians of their different origins rather than

their shared symbols, society and future."  
However Cook acknowledges that many European adventures remain in North America, "but we have had more than 300 years of non-European history, and there has been a disjunction between the histories of North America and Europe." Still, discussing personal histories is often difficult. As novelist and critic Margaret Atwood observes in her 1992 study of themes in Canadian literature, *Survival*: "Part of where you are is where you've been. If you aren't too sure where you are, or are sure and don't like it, there's a tendency . . . to retrace your history to see how you got there."

Canadians who trace their origins may have differing favorites among the "discoverers" of the Americas. There is no contest for most Americans, John Dwyer, for one, the author of a commemorative book to be published this fall, *Columbus—Fire God, Gold and Glory*, states flatly: "After Jesus Christ, no individual has made a bigger impact on the Western world than Christopher Columbus." But Columbus and most of the rest of the early voyagers were



not even looking for a new world—rather, for an ancient one. Columbus, at first, identified Cuba as a promontory of China, as did Cabot of Newfoundland. Some scholars doubted at the time that they had found the western route to the riches of China or of the East Indies, which had prompted the confused Columbus to name the indigenous Caribbean "Indians."  
It was the Florentine navigator Amerigo Vesputius, who toured the tropics between 1499 and 1502 on two voyages, first for Spain, then for Portugal, who was credited with concluding that the lands they sighted were part of "a new world." As a result, the German geographer Martin Waldseemüller gave that word the name "America" on a 1507 map, Latinizing Vesputius's first name.

Although many years passed before European merchant adventurers fully grasped that the Indians blocking their western passage to Asia was potentially an even richer field, the Vikings immediately liked what they found. From Norway, Iceland and Erik the Red's Greenland outposts, they made many voy-

ages to what is now Atlantic Canada. The Norse sagas tell of expeditions setting there for as long as three years.

**Birth:** It was Erik's son, Leif, who set the wandering tone when, returning to Greenland from Norway with a commission from King Olaf Trygvasson to convert the settlement to Christianity, he lost his way and found a rich country. As the *Alfrik's Saga* records:

"Leif put to sea, and was at sea a long time, and lighted on three lands whose existence he had not so much as dreamt of before. There were wheat fields growing wild there and grown vines. There were also those trees which are called maple, and they fetched away with their saplings of all those things—some trees so big that they were used as house building . . . And ever afterwards, he was called Leif the Lucky."

Lucky indeed, as the millions who followed Leif to the new land, and those who preceded him, would surely agree.

CARL MOULLEN

# AN ECHO FROM THE PAST

## LATTER-DAY VIKINGS SAIL FOR CANADA

The sail appeared first, a large, red square of canvas set to a clean north wind. Looming closer, below the sail, that billowed against the horizon, was the sweeping curve of a wooden prow that soared nine feet above the waterline of the cold Atlantic. In medieval Europe, the sight of such a ship approaching a foreign shore evoked terror among local inhabitants; this was the Viking longboat that carried marauding Norsemen on their mindless plundering missions against villages and monasteries. But with northern reaches of a land only dreamed of in the courts of Europe, those who watched from the wooded ridge above the pebble beach and the dew-fresh meadow of grass and heather a sailswoman apt watched in silence. No hostile nose repudiated preceded these strange and queasylike landings. No falconlike talons awaited their sails and swords. This was a beautiful land of endless forests and pure streams, it was, as well, a blank retina of black water and anything rock. This was the New World.

Earlier this summer, a ghost from the Viking past began to cross the Atlantic, herald for an Aug. 2 expedition into a well-covered clasp of reefs on the northern peninsula of Newfoundland. There, the president of Iceland, Vigdís Finnbogadóttir, the prime minister of Norway, Gro Harlem Brundtland, the premier of Newfoundland, Clyde Wells, and Jean Charest, the Canadian minister of the environment, will grant a modern-day Viking longboat, an L'Anse-au-Mendon, 1960. The ship, *Gau*, is named after the Greek goddess Mother Earth. Her mission is twofold: to dramatically replay events of about 1,000 years ago and, at the same time, deliver an environmental message to the world. Policy-makers call the trip "Vikings contacted." In fact, the *Gau's* voyage is designed in part to attack the widespread belief that it was the Genoese navigator Christopher Columbus who discovered the Americas through his celebrated voyage in 1492. In private, the *Gau's* Norwegian, English and Icelandic crew is half-jokingly referred to the voyage as the "bigger Columbus" campaign. Said Gun-

nar Eggertsson, an Icelandic crewmember: "Would you like to be ignored when you know you won a race by 500 years?"

Complicating: There is little agreement that the modern-day Vikings have a legitimate claim. In 1978, the United Nations proclaimed L'Anse-au-Mendon a "world heritage site" recognizing that more historians regard it as the earliest-known European settlement on the North American continent, despite the popular belief, particularly in the United States, that Columbus "discovered" the New World. But the voyage also serves as a reminder that mankind, on the cusp of the third millennium, has embarked on a retrospective voyage of environmental destruction. Less certain, even for the participants in the *Gau's* voyage, was what could be accomplished by a five-month, 36-vessel expedition funded by the Norwegian and Icelandic governments and by Neil Kluster, a San Francisco-based Norwegian cruise-ship magnate turned environmental crusader. The voyage is being rebroadcast by a crew of 30 adventurously trained ecological-wa-

Guiding Leif's statue in Icelandic Vinland revisited

ters. "We don't know what will happen," said Kluster. "We're doing this in a spirit of exploration and discovery. After all, the Vikings didn't know where they were going when they discovered America."

Validated: Nor did they stay long. Whatever claim the original Vikings had upon the land of green slopes and fertile bays that they called Vinland vanished within 20 years of their arrival. Evidently, the Norse settlers, led initially by Leif the Lucky, son of Erik the Red, abandoned their North American foothold. They may have been driven out by the indigenous peoples who inhabited the area, or perhaps they were driven home to Scandinavia in the winter hours of the sea-rotting Viking Age that, by the end of the 10th century, was coming to a close.

They took with them little else but their stories, mixed in conflicting detail as part of their heroic sagas through the long centuries. As a result, the better-documented exploits in the Americas of later explorers, Christopher Columbus, Jacques Cartier, James Cook, Ferdinand Magellan and many others, eclipsed the Norsemen's accomplishments in the hinterland of the world.

Over time, on what later

became the remote New-England fishing village of L'Anse-au-Mendon, the peat bog buried soil, in a final frequent attack, buried the timber-and-brick houses of the Viking settlers under the compact debris of the Dorset people who were there 1,500 years before the Norsemen arrived. One by one, traces of the Viking presence in North America vanished from the land it would take 1,000 years for the Norse to prove their first and last sail as long for the world to release it.

That celebration bridges the 1,000-year gap. The expedition organizers chose a matchless aptitude for their expedition: The *Gau* is a glass-replica reproduction of a 76-foot ninth-century Viking ship that was unearthed in 1593 in Gotland, Norway. The original Gotland vessel was a gift to a Norwegian king. It is credited that it carried one observer to describe it as "a poem carved in wood." The oak keel and beamed accom-

pany enabled Viking warriors to spin the vessel around almost on her own churning bottom. The Vikings took their treasure-laden vessels to their graves: the original Gotland ship served as a burial chamber for a Viking king, who was accompanied on his journey to Valhalla, the Norse afterlife, by a dozen horses, an ox and a peacock. "For some Scandinavian, the Viking ship is a religion," said Ragnar Thorseth, the *Gau's* captain. "I suspect not I, but if you look at the *Gau* out of the water, her lines are perfect."

During a period of five months, the *Gau* is scheduled to visit 20 ports in six continents, including the United Kingdom, Iceland, Greenland, Canada and the United States. In a \$300-million journey from Norway across the North Atlantic, the ship will sail with 300 sailors, with 300,000 passengers, the *Gau's* schedule called for stops in L'Anse-au-Mendon (Aug. 2 to 5), St. John's, Nfld. (Aug. 9 to 12) and Halifax (Aug. 26 to Sept. 3). More important, the ship will be required to arrive at its destinations on time for long-planned public ceremonies.

Where once the Vikings, masters of the medieval currents, looked to the sun and other stars to chart their course, the *Gau* is guided by

the latest in electronic and satellite navigation equipment. And where distance traveled was once a gift from nature as a product of the brute strength of as many as 70 bronze oarsmen, the *Gau's* progress is aided by two diesel-driven engines. Still, the vessel is relatively open, and for stretches of up to 15 days the crew will be largely exposed to the elements. Said Thorseth: "You have to live with the sea and the waves. All the electronic gadgets in the world can never replace it as a challenge."

Thorseth is clearly a man of the sea and the waves. Many Norwegians regard the 40-year-old professional adventurer as a national hero. In 1959, he single-handedly rowed across the North Sea. Then he traveled to the North Pole in 1982. He sailed around the world during the early 1980s in a reproduction of a Viking cargo ship with his wife, Karin, and two sons, Njål and Erik, and later spent a winter on a boat with his family among the polar bears of Spitzbergen, a Norwegian Arctic island. Thorseth says that for 15 years, he dreamed of building a fleet of Viking ships. His goal was to sail to the 1592 World's Fair in Seville, Spain, and on to the Americas following Columbus's route. His motive had little to do with the environment. He sought adventure, the electric exhilaration of a 30-mph conundrum in heavy seas. If the world needed saving, he reasoned, with a puff on a cigarette, it was not his fault. "What the hell is Mother Earth?" asked Thorseth. "She's not nice all the time. It's the survival of the fittest."

Dreams: Like most dreams, it cost a bit of money to fulfill. Fortunately, the 40-year-old Kluster has more free-tilth of it and more to spare. He made his name and fortune during the 1960s in the cruise-ship industry, co-owning his family's shipping company. In 1973, the company bought the financially troubled passenger liner *France* for \$18 million and, after a \$60-million refit, Kluster converted it into a 2,000-passenger cruise ship, which he called the *Phoenix World City*. He claims that it will be so large that it will not be able to sail through the Panama Canal. Said Kluster: "No one builds ships that can't go through the Panama."

Kluster's enthusiasm for his business has been tempered by a budding interest in environmental causes. "I could see the world as a big ship moving full speed ahead," he said. "And when we change the course, it is going onto the rocks." He has handed over the operation of the company's 10 cruise ships to 35-year-old son, Jens, who now steers into environmental waters. Still, he retained control of the *Phoenix* project, which has resulted in expressions of concern among some environmentalists because of the fossil fuels which would be burned by the engines of the enormous vessel. Last April, Kluster was questioned about the environmental impact of the *Phoenix World City* when he met

Kluster's San Francisco



## THE GAIA VOYAGE WAS AIMED AT THE VIEW THAT COLUMBUS LANDED FIRST



Thorstein at the tiller of Gaia. Far across, the Viking ship is a relicpiece

Washington with Lester Brown, the president of WorldWatch Institute, a privately funded environmental organization that monitors worldwide ecological trends. Klosser was seeking Brown's support for the Viking voyage. On the eve of the Gaia's departure from the Norwegian port of Bergen on May 17, Klosser told Thorseth that he had begun to have second thoughts about the Phoenix project. He added: "In the world we're living in, it is going to add anything meaningful? I was concerned five years ago. I'm not so sure any more."

Gerie, meanwhile, in Thorseth's dream of re-creating past Viking glories, Klosser had found a way of spending his environmental money. Klosser met with Thorseth's biologists and dream, and the two men began planning to reclaim the New World and save the old. The first task was relatively easy. During excavations in Canada over seven years beginning during the 1980s, Swedish-Norwegian adventurer, Hilde Ingstad, along with archeologist Anne Sten Ingstad, unearthed slatpiles in scientific and scientific circles by preserving irrefutable proof, based on carbon-14 dating, that Vikings had settled in Newfoundland at approximately AD 1000.

The early Vikings would travel in L'Anse-au-Mouton, retracing the original passage from Norway through the British Isles, then sail to Iceland and Greenland and across the Davis Strait, and later continue down the eastern coasts of Canada and the United States

Klosser says that the data of the original Viking settlement is uncertain enough to justify leaving the re-enactment a summer before the official celebration of Columbus's voyage in 1492. Said Klosser: "Historians said 1993 was as good a year as 2000 or 2010."

Saving the planet was another matter. Even as the Gaia set sail, arguments in the village had difficulty articulating exactly what their message was. The crew of 19 includes Thorseth, two boat builders, a physician, an electrical engineer, a professional sailor and a four-member British Broadcasting Corp. TV crew that is documenting the voyage. Members said they shared a sense that a global environmental crisis is imminent. But few of them appeared to be comfortable debating specifics. Said Thorseth: "This Gaia ship has become a great challenge. The problem is, we don't really know what we're going for." Instead, they decided to act as their forebears did 1,000 years ago: land westward and hope that a major world catastrophe. Said Klosser: "We're not telling everyone what to do. We're just saying that we're coming. Hopefully, people along the way will do the process."

One statement that the organizers of the Gaia's voyage were not prepared to leave to chance was the refinement of the British voyage of their ancestors. The Vikings founded cities, including the Irish capital of Dublin, and even states. They wrote poetry and danced laws. But they were best known for two centuries of

roving much of the British Isles, pilaging the coast of France, burning Paris, seizing the German city of Hamburg, overwhelming the Shire of Russia and chasing with the intent of the Byzantine Empire. So deep was the trauma that the Church of England still recites a prayer that pleads, "From the fury of the Northmen deliver us, O Lord."

As a result of the early Vikings' reputation, the governments of Iceland and Norway lived a New York City based publicity firm to approach the Gaia's passage. The crew presented 2,000 pine, spruce, cypress and alder tree seedlings to the Orkney and Shetland islands as an apology for the actions of 10th-century Vikings who stripped the northern British islands of what little timber they had. Still, sailors in modern times, organizers were uncertain how they should go about meeting ancient fears with the North American natives. Clearly aware of the controversy stirred by the Columbus campaign among North American Indians and historians, promoters stressed that there was a reunion of two peoples—Norse and North American natives.

**Liberties:** But that involved taking some liberties with the facts. The Vikings said they were explorers in the opinion of the aborigines they encountered; they called those who came with the land aborigines, a derivative name meaning seafarers or seafarers. The sagas also related that the introduction of the two cultures was far from cordial. After spotting these so-called sea lands overcast on the beach, with three men sleeping beneath each of them, the Norsemen killed all but one man. That act set off a series of deadly encounters that eventually drove the settlers back to Greenland. "It was cultures clashing, they didn't understand each other," diverged Klosser. "The same thing happens today."

To ensure the delicate situation, the expedition decided to urge native organizations in Canada and the United States to regard themselves as equal partners in the colonization of the Gaia's voyage. Said Klosser: "We would like, as a way, to look at this so-called discovery with the eyes of the recipients, the people who actually lived there." Still, it was not clear what group of natives lived in Newfoundland at the time of the original Viking settlement. According to scholars, they may have been members of the Dorset culture, or Algonquian-speaking Indians. The Beothuk Indians, who inhabited Newfoundland when John Cabot arrived in 1497, became extinct during the early part of the 16th century.

Still, the evolution of the Gaia's voyage to Vinland, with all of its dangers and uncertainties, served as a reminder of the challenges inherent in any voyage of discovery. That was the lesson from ages, when the Norsemen first went across from their peaceful waters into the land of the unknown. Vinland is the best of worlds, revealed in quest on a current of history, not impeded or shaped by any one element, but enriched and enlightened by it all.

E. KATE PULTON in Bergen, Norway

## THE SECRETS ON THE SHORE

### ARTIFACTS REVEALED THE VIKING PAST

The children from the village of L'Anse-au-Mouton called them the Indian Indians, a natural phenomenon of ancient times, considered a natural class of barbarians. The mysterious stone elevations along the ridge beside Black Duck Brook were Indians as familiar as the sea to the most families who lived in the isolated fishing outpost on the northern peninsula of Newfoundland. They were known, in 1964, when a team of archeologists led by Norwegian Helge Ingstad, a specialist on Viking culture, arrived and, during seven summers of excavation, unearthed the secret harbored by the mysterious mound: Viking artifacts. Around the year AD 1000, Viking settlers had lived on the shore, most likely led by the handsome Leif Erikson. During the following centuries, children played on the remains of what some historians now call the greatest archeological find in North America. If the wall in the Vinland of Norse legend, it was at least the gateway to a new continent.

**Changed:** The discovery of Viking homes and artifacts in Canada altered the interpretation of North American history and changed the course of a Newfoundland fishing outpost's future. Last summer, 20,000 tourists descended down the 100-kilometer highway to L'Anse-au-Mouton, a once-peaceful community that until 1965 could be reached only by boat. Now, it is the centerpiece of a 30-square-mile national historic park, which in 1978 was designated by the United Nations as a "world heritage site," one of 313 places or objects in the world deemed by the organization to be of exceptional universal value.

Last week, the 30 families who now live in L'Anse-au-Mouton were preparing for a further reunion on Aug. 2, when Norwegian, Icelandic and British sailors were expected to arrive for a three-day re-enactment of the Viking landing. Among the residents of the village in L'Anse-au-Mouton, St. John's, P. E. I., Canada

superior who says that he ancestral roots in the area go back to the late 1700s, when French whalers called the support L'Anse-au-Mouton, or The Bay of L'Anse-au-Mouton, was 22 walled excavations. He goes up fishing for cod to work on the site for a better wage of 50 cents an hour. Said Decker: "Things have changed from the days of whalers and fishermen."

Still, Ingstad says that some of the changes



L'Anse-au-Mouton. Families who lived in the outpost were returned

that have transformed L'Anse-au-Mouton were not fully intended. He argues that the site should be left as is to enable future archeologists to work over future technologies to further learn from the remains of the ancient settlement. Now 90, Ingstad recalls witnessing the same kind of encroachment of the 20th century on the original inhabitants of North America when he was said as a teenager in the Canadian Atlantic, northeast of Great Slave Lake, from 1916 to 1923. Said Ingstad, who planned to be in L'Anse-au-Mouton for the Aug. 2 re-enactment of the first Viking landing: "The people of L'Anse-au-Mouton were among the first I have ever met. I don't begrudge them a thing. But something like was."

In some cases, the changes were inevitable.

To protect the site from deterioration and debris more than the shape of the houses for the benefit of tourists, the Canadian officials added over the Viking foundations, an action that Ingstad says threatened the authenticity of the site by allowing new soil to leak into the original surface.

The discovery of the Viking remains at L'Anse-au-Mouton provided an important clue to a centuries-old mystery. Ancient Norse maps refer to a land off Vinland, apparently a fertile region of North America where grapes grew. Following the clues in the sagas, Ingstad and his wife, archeologist Anne Sten Ingstad, spent 15 years searching for Vinland. They staked 4,000 miles of North America's eastern seaboard, from Labrador to Florida, in search of the clues in the sagas. Ingstad learned about the mounds at L'Anse-au-Mouton from a local fisherman, and said that when he finally saw them he felt a tug of recognition.

By 1973, the year in which P. E. I. Canada took over development of the site, archeologists had uncovered the remains of seven Viking houses, a blacksmith's shop and a host of medieval artifacts, including rusty tools, fragments of iron, small pieces of melted copper, a stone lens, a Norse desk pin and a spindle wheel for spinning wool. Radiocarbon tests dated at least a dozen objects to about AD 1000, plus or minus 70 years—the period when, according to the sagas, Leif Erikson or members of his family made his separate expeditions to Vinland.

**Mounds:** Further digging between 1973 and the last year of excavation in 1998 revealed in a modest but significant discovery in the form of three burials, that according to carbon dating, approximately 1,000 years old. Because burials do not grow in Newfoundland, the dating led to speculation that the Vikings only used L'Anse-au-Mouton as a way station in days that took them across the Gulf of St. Lawrence and possibly

into what is now northern New Brunswick. Said Ingstad, the P. E. I. Canada archeologist who found the site. It was not the Norse to enter the mound, for instance the Marmora; a ruin in New Brunswick, where the site was found. She added: "There, you have the legends, the stories and the types of things the sagas talk about." She said that as early as the 17th century, French explorers reported finding graves in the area. By 1916, L'Anse-au-Mouton was only a staging point on the Viking route to Vinland, it claims the destruction of being the only known site in North America bearing proof of habitation by the Norsemen of a millennium ago.

E. KATE PULTON

# TO CELEBRATE OR REPENT?

## CRITICS ASSAIL THE COLUMBUS MYTH

Scores of places in the Western Hemisphere, from British Columbia to Colombia, bear his name or variations of it. In the modern-day popular imagination, shaped by grade-school history, he has long dominated the centuries-old sagas of global exploration and discovery. But now that the Americas and Spain are preparing lavish celebrations to commemorate the 500th anniversary of Christopher Columbus's first voyage to the New World in 1492, the statues of the second navigator has begun to suffer from a widespread and frequently critical re-examination of his deeds and character. Some scholars have attacked the heroic view of Columbus by

Oct. 12, the date on which Columbus reached the Bahamas 70 days after leaving the Spanish port of Palos, near Cadiz. Opposing views of history have pitted the anti-Columbus ideological left against the pro-Columbus right, nations against whites and scholars against non-whites. The planners have even quarreled among themselves. In September, 1289, U.S. government opposition, the Spanish government and White Plains, N.Y.-based Teesco Inc., a prospective sponsor, became involved in a dispute over the contract for financing reproductions of the three ships Columbus used.

Meanwhile, Canada's Columbia bicentennial committee (its full name is the Special

who sailed with Columbus to an Ottawa reunion in late 1993 and hopes the federal government will pay their travel expenses. Said Rosenc: "If they don't offer to pay it, it will be a little embarrassing." Rosenc said that he is disappointed at not getting the money because he holds a certificate of appointment as questionnaire committee chairman and a letter confirming it, both bearing Trudeau's signature. But a spokesman for Prime Minister Jean Chrétien's office said last week that he had never heard of Rosenc or the committee. Said Rosenc, who claims that he is a direct descendant of Columbus on his mother's side: "This is an official committee of the government of Canada, and it will continue to operate until they tell me otherwise."

Yet some historians contend that Canadian participation in the Columbus anniversary would be pointless because the explorer's four voyages in the service of Spain's King Ferdinand and Queen Isabella all ended in the Caribbean and were not part of the nation's early history. Historian Olive Dickason, of the University of Alberta in Edmonton, said that the earliest contact between Western Hemisphere natives and Europeans occurred when Viking sailors encountered indigenous people along the North Atlantic coast five centuries before Columbus. Said Dickason: "The Columbus factor is simply not so important to Canadians."

**Exploits.** Some groups have taken this opportunity in any celebration of Columbus's exploits even further. Last May, the Canadian Council of Churches, meeting in Canaan, Alta., passed a resolution declaring that the 500th anniversary should be marked by "rejection and repudiation" for Columbus's treatment of the natives. And in Ottawa, Lawrence Constantine, Alberta vice-chief of the Assembly of First Nations, said on June 30 that a group called the Indigenous 500 Committee would call on Canada next year to publicize their "collective" sufferings during "the invasion of the Americas."

Still of late said that the anniversary should be used for reconciliation, not confrontation. Minister Barry Gough of Wilfrid Laurier University in Waterloo, Ont., said that Columbus was a symbol of the American religious, political and economic changes that swept Europe during the 15th century. For that reason, said Gough, not because the quincentennial provided an opportunity to explore longstanding native grievances among First European explorations. "It is important for Canada to take a stance in this, and I am keen to get something going." To Rosenc, the controversy over Columbus, accused by some historians of enslaving and mistreating the Caribbean Indians, greases the nation of the times. "It was the notion that the conqueror always took slaves," he said.

While plans for the quincentennial are more elaborate in the United States than anywhere else, and include scholarships for high school students, a national essay contest and 60-second network TV spots, the projects have ignited an acrimonious debate. In late 1990



Reproduction of the Santa Maria, explorer Christopher Columbus' (below): a jackhammer sailor and a brutal administrator

book, *The Conquest of Paradise*, U.S. historian Kirkpatrick Sale attacks Columbus for racial bigotry and indifferent enslavement. And in May, American Indian Movement spokesman Russell Means said that native activists would disrupt the celebrations.

**Bickering.** The atmosphere of those events will be the Caribbean and North American tour of replicas of the tiny ships that took part at

ships, the modern versions are equipped with onboard engines for use in emergencies and berthing. They are scheduled to reach San Fernando Island in the Bahamas in late November and visit the Caribbean, including the coastal waters around Puerto Rico and the Dominican Republic capital of Santo Domingo, where Columbus is said to be buried, until the end of December. From February to June,

1993, the ships will visit Miami, St. Augustine, Fla., Charlotte, S.C., Norfolk, Va., Baltimore, Philadelphia and Boston. They will drop anchor in New York City harbor in July and then sail through the Panama Canal, reaching San Diego in September and San Francisco in October. David Norstad, a spokesman for the Spanish government agency managing the itinerary, said that the ships may visit Great Lakes ports

in 1995, including Canadian ports.

**Mystery.** Plans the voyage and celebrations—and the protests—are over Columbus himself will remain largely a mystery. For one thing, the 60 portraits of Columbus painted during the centuries after his death in 1506 bear little resemblance to one another. John Herbert, a Louisiana-born Latin American historian at the Library of Congress in Washington, is co-conductor of the library's quincentennial program, which will attempt to clarify the world in which Columbus lived. Said Herbert: "If you look at the existing documents relating to Columbus, who he was, what he looked like, where he came from, where he was born and what motivated him, it's only a handful of material." He added: "But to take that man and make either a saint or a devil out of him is the wrong thing." However, even now that the end of 1992, and perhaps beyond, there are many people who will be trying to achieve both those conflicting objectives.



BAR COLELLI



Nita reproduction: in the end, Columbus himself will remain largely a mystery

portraying him as a jackhammer sailor and brutal colonial administrator. Native groups said that he despoiled their ancestral lands and slaughtered its inhabitants. And several church leaders have proposed that 1992 be a year of repentance, not celebration. Said cartographer Edward Dahl of the National Archives of Canada in Ottawa: "If I were in India, I would have quite an anti-Columbus attitude."

Aboriginal anger is only one of the adversarial circumstances that have materialized around the bureaucrats' planning for the year-long Columbus quincentennial, which begins on

Committee for the Fifth Centennial Celebrations of Christopher Columbus' Discovery of America) is facing even more perplexing problems. Chairman Alexander Rosenc of Memorial, a retired McMaster University neuroscience technician, was appointed in March 18, 1984, by then Prime Minister Pierre Trudeau. Rosenc said that the Liberal government authorized to submit a bid for, and he estimated he would need \$87,000 a year, or a total of \$630,000, to the end of 1991. But Rosenc says that he has received no money, although he intends to invite 34 descendants of the men



# Brave new world

*Astronomers may have detected a new planet*

By most estimates, the neutron star, or pulsar, known as PSR1829-50 may not be worth a look at. In fact, it cannot be seen at all. Scientists say that the star, located near the centre of the Milky Way, is a dense, dark orb. It is about 30,000 light years from Earth. Light travels through space at 2.978 trillion miles per hour and was formed by a supervolcanic explosion, the spectacular cataclysmic event that occurs when the molten core of a star implodes, sending shock waves rippling through the universe. The pulsar, which emits radio waves at regular intervals, was one of 40 such stars discovered in 1980 by scientists at the Mullard Radio Astronomy Laboratories at Jodrell Bank, 30 km south of Manchester, in northern England. Astronomers using Mullard's giant radio telescope found that some pulsars emitted by 30 of the neutron stars were irregular. But the fascinating irregularities from the 40th pulsar led them to a startling conclusion. In a letter published last week by the British journal *Nature*, they speculated that the 40th pulsar was being pulled out of its orbit by an orbiting planet. If that explanation survives the scrutiny of the astronomy community, the planet will be the first to be detected outside of Earth's Solar System.

Scientists have long predicted that other planetary systems must exist and would eventually be found somewhere in the universe. But despite some claims in the past, scientists have never been able to provide conclusive evidence to justify that theory. They said that the apparent discovery of another planetary system would have important implications for astronomers' understanding of the universe, and could point the way towards the discovery of other planetary systems. Paul Delaney, a professor of astronomy at Toronto's York University, says: "Until now, we only knew for sure about one planetary system around our star—the Sun. This changes everything."

The evidence indicates

that PSR1829-50 probably has at least one orbiting planet was mentioned by three Jodrell Bank astronomers, Andrew Lyne, Matthew Bailes and Serman Shemar. Lyne told *Nature* that after the observations identified the new pulsar as such, the lab monitored each of the neutron stars on a regular basis using its 250-foot-diameter Lovell telescope that receives radio waves. Neutron stars cannot be seen with an optical telescope because their light cannot travel far from the gaseous center. But he said that he and his colleagues had noticed during routine observations with the giant telescope that PSR1829-50 emitted an irregular pattern of pulses. Lyne said that after they detected that pattern, he and Bailes, an Australian who began working at the Mullard Laboratories only 18 months ago, tested their observations against established mathematical models in an attempt to explain the fluctuations. Lyne said that it was not until last May that it occurred to them that they might have discovered a planet. Said Lyne: "It

THE MILKY WAY

A DISTANT WORLD



was a purely serendipitous discovery." The Jodrell Bank astronomers said that, although the pulsar usually gave off a regular pattern of pulses, they observed that at times

the pulses would slow by one or hundredth of a second. Then, three weeks later, the pulses would speed up again. After recording several cycles, Lyne said, the astronomers concluded that the pulsar was "being tugged a bit" by a planet with an almost perfect, six-month orbit. "The most natural interpretation of this pulse variation is that the star has a companion orbiting around it," Lyne said.

The discovery of another planetary system, which has yet to be confirmed by other astronomers, came after years of fruitless effort by astronomers around the world. During the past decade, scientists have been able to look ever deeper into space with the aid of sophisticated new telescopes capable of producing high-resolution images of celestial bodies. Still, Delaney said that while these tools have come increasingly close to finding other planetary systems, none has provided enough evidence to satisfy the scientific community. He said that the powerful telescopes could not overcome the blinding glare that obscures the view of objects neighbouring bright, relatively young stars, including the Sun. Because the Jodrell Bank telescope responds to radio waves coming from distant objects in space, rather than light, glare does not affect it.

Excitement among scientists over the possible detection of another planetary system was tempered by disappointment that it is too far away to be seen—and by the fact that the planet is unlikely to support any form of life.

THE SOLAR SYSTEM



Lyne said that the planet orbiting the pulsar probably has a mass of about 12 times that of Earth, and a circumference that may be two to three times that of Earth. The suspected planet apparently orbits its pulsar star at a distance of about 67.24 million miles, roughly equal to the distance between the Sun and the planet Venus. Astronomers also indicated that the planet is under constant bombardment by high levels of deadly radiation from its host neutron star. Said Gerald Quinn, a research associate at the Toronto-based Canadian Institute for Theoretical Astrophysics: "It is highly unlikely that any life forms could survive in that environment."

Although other scientists will almost certainly challenge the Mullard team's report to see if the interpretation bears scrutiny, some astronomers said that the evidence provided by Bailes, Lyne and Shemar appears convincing. "It is the strongest piece of substantive evidence that our Solar System is not unique," Delaney said. For his part, Graham Walker, a professor of astronomy at the University of British Columbia, said that the use of a radio telescope to respond to radio waves coming from distant objects in space, rather than light, is a very hard way to argue with him when that number appears on the screen," Walker said. Still, Lyne said that it was too early to regard his team's findings as conclusive. "I think that the observations are accurate," he said. "But there may just be some-

thing else going on with that pulse."

If the Mullard results are verified, the discovery will confront astronomers with new questions. Walker said that the presence of the planet next to the pulsar challenges the commonly held belief that a star's planetary system would be ejected out by the catastrophic explosion of a supernova, which creates a pulsar. And even if it did survive, many astronomers say that the explosion should have knocked the planet out of its almost perfectly circular orbit. But Walker said that it was possible that the planet could have been formed by the debris from the host star's supernova, which occurred about one million years ago. Said Walker: "That is not much time to allow a planet to form out of the debris."

As scientists studied the Mullard findings, Lyne, Shemar and Bailes said that they planned to do new experiments. Lyne said that there is some evidence suggesting that PSR1829-50 may have more than one planet. But he added that it could take up to 30 years to determine whether there are other planets. "It's an exciting concept that our Solar System is not unique," he said. "It gives us another step forward in projecting our imaginations into outer space." Clearly, if the theory advanced by Lyne and his colleagues is correct, many more astronomical horizons remain to be crossed.

JAMES DEACON



THE EVIDENCE INDICATES

# The state of a union

Charles and Diana mark their 10th anniversary

Britain's royal-watchers call it simply an arrangement—a working partnership that gets the job done in as effective, if decidedly unromantic, way. As they mark their 10th wedding anniversary this week, Prince Charles and Diana, the Princess of Wales, will do their jobs on behalf of charities and worthy causes. But to the fascination and increasing alarm of Britain's siphon-drenched news media, Charles

and Diana now operate as distinct and, indeed, frequently rival figures. The royal couple, who may visit Canada in October, sleep, work, vacation and socialize almost entirely apart from each other. There is an awkward and unusual relationship that had one of the London tribunes, the *Daily Express*, to headline a recent appraisal of the royal marriage: "Separate beds, separate homes, separate lives."

That was not what was expected when Charles and Diana, then just a few weeks past her 20th birthday and a full 12 years younger than the heir to the British throne, married on July 29, 1981. As an estimated 700 million people around the world watched the

ceremony at St. Paul's Cathedral in London, newspapers inevitably referred to it as a "bumpy wedding," raising expectations that almost any couple would find impossible to meet. And as the relentless glare of publicity, the marriage quickly ran into difficulties. Diana, accustomed to the structure of royal life, immediately pointed and rebelled against the often-murderous routine of ceremonies and opening ceremonies that dominated her new life. The serious, mostly Charles appeared to become disenchanted with his young wife, with whom he shared almost no common interests. By the fall of 1987, their marriage was in crisis, with rumors of affairs on both sides—and speculation that the marriage might even end in divorce.

Since that low point, Charles and Diana have managed to work out a relationship that allows each of them to pursue separate interests while maintaining at least the outward appearance of normal married life. The prince lives mostly at Highgrove, his home in rural Gloucestershire, with frequent and lengthy visits to Balmoral, the royal estate in Scotland. During the week, the princess lives with their sons, William, 6, and Harry, 6, at the royal apartment in west London's Kensington Palace. She goes to Highgrove most weekends, but the tabloid newspaper writers who track royal comings and go-

relationships, wrote: "They have a marriage, which is all the stranger for having had its problems." Still, a new round of reports charged that all was not well between the prince and princess on the eve of their anniversary.

It began in early June, when Prince William suffered a skull fracture after being hit in the head by a golf club wielded by a schoolmate. His mother spent two nights with him in hospital. But Charles visited only once—for 45 minutes—on his way to the opera. In a three-page column, the tabloid *Sunday Mirror* pointedly "could be out space more than a merely 45 minutes to visit his son and provide some comfort for his wife."

Speculation about a new royal rift increased on July 1, Diana's 30th birthday, when the couple spent the day apart attending separate charity events. Most reports cast blame on Charles, picturing him as refusing to leave his Highgrove retreat to help his wife celebrate in London. The next day, Britain's top gossip columnist, Nigel Dempster, reported on the front page of the arch-rival *Daily Mail* that unidentified "friends of Prince Charles" were furious that the prince had been portrayed as the guilty party in the fiasco.

Charles, the friends reportedly said, had offered to arrange a party at either residence, but Diana had refused. In effect, Dempster reported, Charles was hitting back at his critics—and his wife—by publicly setting his side of the story.

Along with the personal arrangements, according to other royal-watchers, is a professional rivalry. Charles and Diana in effect compete for public attention, although the princess's beauty, commanding confidence and role as a

dramatic mother make her almost impossible to beat. Their personal work separately, sometimes scheduling them to make state appearances at the same time so that one (almost always the princess) outshines the other. She made a major speech on arms control, on the same day that Charles spoke out against Bosnia's declining educational standards. Some London newspapers reported that the prince was furious that attention had shifted away from him. But although the obvious gulf between them sometimes appears to hurt them both, neither the prince nor the princess appears willing to do much to close it. They did not schedule any event to mark their 10th anniversary this week—setting the stage for a new round of speculation on the state of their union.

ANDREW PHILLIPS in London



The prince and princess: expectations that were almost impossible to meet



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## SPORTS WATCH



# Is this Rocket a CFL time bomb?

BY TRENT FRAYNE

There has been a certain concern among fans at the Canadian Football League that the addition of a human time bomb named Raghbi Imani has made the Toronto Argonauts altogether too strong for their competitors, that named Rocket. So too people can agree how to say his name: writing the CFL, as in the original scenario, his presence is indispensable. The trading goes like this:

For the past decade or so, Argonauts arenas were the site of Monday night home games from an old place called Exhibition Stadium to a picturesque encounter. Backstage stands called the SkyDome only served to underline the fact that football was going belly-up in Toronto. In this gift-edged downtown parking garage which can seat upwards of 25,000 people there the site outcroppings of 22,000 or so were less in the spotlight was more. Accordingly, there was growing speculation that if the decade continued and the Argonauts failed, so would the CFL.

Unsurprisingly, for reasons that never became clear, Bruce McNall, a Hollywood Ontario, purchased the franchise. He added Wayne Gretzky and John Candy to his cast of co-owners, watched the aforementioned Raghbi Imani from under the talons of various advertising National Football League (NFL) proposition and opened the home season against the ill-fated two-Tiger-Gals with a joyous thunderclap of loud, louder, louder consensus and Hollywood faces belonging to Don Aykroyd, Jon Belushi and Ernest Borgnine's tall, slender granddaughter Mirrel.

For the home opener against Hamilton that pointed last week's 30-16 romp over Wanda peg, the Great McNall-Panama Machine had done its job. The night was a palpable hit for practically everybody—the \$1.178 in the stands, the thundering herd on the halftime stage, the Rocket with a seasonal pass reception and a couple of victory runs. Argonauts to be may 41: 58 yard and the league tied

*There's an anticipation about watching Raghbi similar to watching a couple of tough heavyweights when the explosion?*

at the resuscitation of CFL attention in Toronto. There was just this one line: less of the Tiger-Gals didn't have a whole lot of fun. For football in Hamilton, already a shaky proposition, the next was perfection, forecasting her office down when after, Rochester's teams around Hamilton. The wonder was, has McNall overdone it?

There's no question that Raghbi Imani is an attraction to cloud much's minds. People in a position to assess this human torpedo's status provide adequate testimony. Last New York's Day in Miami paid to the Orange Bowl game, the co-coach at the San Francisco 49ers, Bill Walsh, said that Raghbi was the greatest man he had ever seen on a football field.

"I don't know about a 100-yard sprint," Walsh said, "but in football gear, yes, he's the fastest I've seen."

Raghbi's quarterback, Tony Rex, added to the chorus. "I can contribute his, um," said Tony, "as long as I know it while he's still in his stance."

Teammates getting at game time often toyed with the first syllable of Imani's name while he touched the ball. A few even "I'm" to assume the sound of a lighted line. As for closer to home, there's the Rocket's Argo-

nant quarterback, the nine-year CFL veteran Matt Dunigan. One afternoon at an Argosway-out, named Matt stood in creases on the sideline waiting a pulled-out muscle.

"Considering all the fans, what's surprised you most about Raghbi?" queried your agent. Matt earned a chase of eating tobacco instead made his lower lip "the Argonaut." Matt said at length.

"And on the field," pursued your agent, "has he the best moves you've seen?" "Well now, a lot of guys have a lot of moves, such as Mike Clements, who makes moves like I've never seen before," said the quarterback, naming a bonding ball of an Argonaut runner nicknamed Phish, the CFL's most outstanding award winner last season. "The difference is, Clements makes while teams miss. Rocket will make one or two guys miss and he's gone!"

There's an anticipation and excitement about watching Raghbi that's similar to watching a couple of tough heavyweights when the explosion? Obvs: he's a doozy on joint plays. Then it will be his ball and he'll break and cut and then float clear in the long, rhythmic strides of a quarter-mile. Or running back a kickball, he slides the first couple of yards and sudden direction changes, then which are well beyond the sideline. On sheer speed, as Matt Dunigan says, "he's gone."

After all the hoopla, a surprising thing about Raghbi-like who he says he wants a month like Rawls, with a "he's got" and equal emphasis on the syllable in his last. He doesn't appear much wider than a lamp-post and about half as high. In this how Wayne Gretzky looked on first glance to the hockey fans of Los Angeles? Raghbi is five-feet-10 and calls 137 lb. his weight, but among the behemoths of football, which measures him in 250 and scales, he looks almost fragile.

Off the field, at age 21, he has assumed modest and unassuming even while in possession of a four-year contract valued at \$10 million or better. He lives in a handsome Toronto apartment visited frequently by his redheaded mother, Diana, nervous and outgoing, for when he recently brought, according to a column in *The Globe and Mail*, a red Mies-Biesse and a new home with Mies-Biesse, Pa., with "extra access," whatever that means.

Though by far the richest, Raghbi is by no means the only glitzy player who has performed on the CFL, three quarterbacks later kicking up the lid of the lid. For Kaye was an all-Canadian quarterback for the B.C. Lions in 1963 and 1964 before guiding the Vancouver Vikings to championship heights in 1969. Joe Theismann helped guide the Argonauts into the Grey Cup game in 1971 before quarterbacking the Washington Redskins to a Super Bowl title in 1982. And Warren Moon has managed in one of the NFL's foremost powers with the Houston Oilers following six seasons and five Grey Cup triumphs for the Edmonton Eskimos from 1976 through 1982. None of these Goldies was touching for the CFL to swallow; chances are will survive Raghbi Imani and the Great McNall-Panama Machine as well.





Gabriel giving TV interviews: upset by impression of a 'crazy war'

## PUBLISHING

# A book under the gun

Two Mohawks attack a retrospective on Oka

For New York City-based journalist Rick Hornung, it was supposed to be a time of celebration. His first book, *Our Nation Under the Gun*, about the Mohawk Civil War had just been published by Toronto-based Stoddart Publishing Co. Ltd. Hornung had given a three-day journalistic tour in Toronto and Montreal for the book, which is an account of the ultraviolence style in three Mohawk communities. It also deals with the events of last summer's 78-day armed standoff between Canadian authorities and armed Mohawks from two of those communities, Kanesatake near Oka, Que., and the Kahnawake reserve south of Montreal. But as he arrived at a Montreal hotel room last week, Hornung got a disturbing call from a Stoddart representative in Toronto. The office had just received three copies of affidavits by two Mohawks, Ellen Gabriel and Denise Tolley, both from Kanesatake, who were petitioning the Quebec Superior Court to impose an injunction on his book. The pair, who are quoted in it, claimed in the affidavits that the remarks attributed to them are malicious "lies" and "fabrications." What is more, they stated that Hornung had never actually interviewed them.

Early the next morning, a bailiff arrived at Hornung's hotel room and handed him an official notice of the injunction hearings, which

were to take place only two hours later. Unable to locate a lawyer on such short notice, Hornung, a 35-year-old staff writer with the New York weekly cultural tabloid *The Village Voice*, attended the hearing on his own. There, after listening to statements from a lawyer representing the two Mohawks, Superior Court Judge Jean-Guy Rivest issued a temporary order preventing further distribution of the book in Quebec, pending another court hearing into the allegations of the two women scheduled for this week. Said Hornung of the daylong turn of events: "I'm angry, I'm frustrated and I'm more than a little confused."

Both Rivest and his publisher stand by the accuracy of *Our Nation Under the Gun*. Rivest says that he conducted a lengthy interview with Gabriel, who was an affiant with the Mohawk Warriors behind the Kanesatake barricades during the Oka standoff, and with fellow Mohawk activist Tolley. He said that it took place on Nov. 14 at St-Jerome, Que., during a recess in a court case on criminal charges arising from the Oka situation. He added that the conversation happened in the presence of New York City lawyer Stanley Cohen, a longtime adviser to the Mohawk Warriors, and Maurice Gauthier, a pro-Warrior Mohawk from the Akwesasne reserve, which straddles the Quebec-Ontario and Canada-U.S.

border. Both Cohen and Gauthier told Maclean's last week that they recalled listening to the conversation on Nov. 14, which they said lasted between one and two hours.

According to Gabriel, however, the encounter at St-Jerome was not an interview. She says that Hornung told the two women that he would like to meet them for an interview at a later date, but that he never followed up. While Gabriel declined to talk about the specific quotes in Hornung's book that offended her, the pages cited in the affidavits include several passages in which she is quoted talking about divisions within the Mohawk community. In an interview with Maclean's last week, Gabriel said that she was upset by the overall impression given by Hornung's book of a "crazy war" being waged between Mohawk factions. She added: "We're sick and tired of non-natives riding on our backs and making money off of us and the events of last summer."

The distribution ban had little practical effect on the publisher. Stoddart marketing director Angel Guerra said that about 5,000 copies of the book—the entire first run—had been distributed across Canada before the court order, and bookstores were free to continue selling them. In ordering the injunction, Rivest declined to deal with the substance of the allegations made by the two Mohawks. Those questions were expected to be considered at a hearing before another Quebec Superior Court judge on July 31—at which both sides planned to have legal representation.

BRIAN BERGMAN

## Maclean's

### BEST-SINGING GUY

#### FICTION

- 1 *The Krishna Gull's Wife*, Tim (4)
- 2 *Murdering Time*, Dugmore (2)
- 3 *As the Game Flies*, Jordan (2)
- 4 *Red Lines*, Gervais (4)
- 5 *Immortality*, Atwood (4)
- 6 *'Til*, In the Mohawks, Gresham (3)
- 7 *A Soldier of the Great West*, Higgins (1)
- 8 *Penelope*, Atwood
- 9 *Woe & Delila* (3)
- 10 *Elephant Song*, Smith (7)

#### NON-FICTION

- 1 *Suspect Passions*, Waple (2)
- 2 *The Rituals of Devotee*, Viseur (1)
- 3 *Iron John*, My (7)
- 4 *Chapman*, DeLozier (4)
- 5 *When You Look Like Your Passport*, Whelan, It's Time to Move, Sankar
- 6 *Bully for Henderson*, Smith (6)
- 7 *Perfume of Whores*, Gresham (13)
- 8 *Imaginary Horizons*, Baskin (7)
- 9 *Mohawks*, Kilgus (6)
- 10 *Moody Allen*, Lee (5)

(1) Phoenix last week

Compiled by Bruce DeSilva



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## An investigation of Brian Mulroney

BY ALLAN FOTHERINGHAM

About 150 years ago, just after the north cooled, a young man came into my office at *The Vancouver Sun*. He was a student at Simon Fraser University, Arthur Sinclair's celebrated architecture student on a mission overlooking the city. He wrote a column for the campus paper and explained that he would like to do research for car nights and on weekends.

I explained that I already had the world's finest English secretary, Miss Fotheringham, and the world's best researcher, Mavis Brown, and couldn't afford any more help. "Oh," he said, "I don't expect any money. I just want to do it for the experience, for what I can learn from you." That was my introduction to John Sawatzky.

Sawatzky is shrewd and aged. At one stage, to survive in his student years, he put a hot plate and a sleeping bag into a beat-up Volkswagen van, parked it at the Simon Fraser parking lot and lived there. He eventually became *The Vancouver Sun's* parliamentary correspondent in Ottawa, then left to write books. He is now generally considered the best investigative journalist in Canada.

I once asked him how much it had cost him to give up the *Newspaper Guild* membership for a senior reporter at the *Sun*—now about \$90,000—for the uncertain amount of books to produce his years to produce. He didn't care, he explained. That cutting, musing old Yoda was now writing into the words of his father's farm in Abingdon, British Columbia, and it didn't get that rough he was quite prepared to extend there and live in it one again. He's shrewd.

Sawatzky was the first reporter in the country to break the story of the *McMinn* book and been besieged in the early days of Quebec separatism. It was him the *McMinn* Award, handed out each year by the incumbent governor general for uncompromising newspaper reporting.

The first book, *Mix in the Shadown*, was a best-selling exposé of Canada's role in the grey world of espionage. The next, *For Service Rendered*, was a riveting examination of the still-obscure case of Lucio James Bennett, the



head of the *McMinn's* consanguinity who was suddenly taken to an Ottawa safe home and interrogated for five days on suspicion of being a spy, retired from the force and moved to Australia.

It were Brian Mulroney (which I'm glad I'm not—made from M&M), I would be some weird, were John Sawatzky is coming out to the left, after three years of research, with a book on the Prime Minister. It is to be called *Melway: The Politics of Ambition*, and covers 30 different periods of his life. 30 chapters are supposed. There are few of us that could weather all 30 periods of his lives examined by a lonely reporter.

He has done some 600 interviews, going back to *Radio-Canada* radio to university days in Montreal, some of them have apparently—well, or accurately—talked. Who knows—perhaps the proof that we had in Errol Flynn who is

now a prime minister will we ever all these Canadian female voters who simply can't stand that bedroom baritone voice on. *The Journal?*

Yes Sawatzky would show these *Unleashed* University readers that Mulroney's *Clare* (Boy could I get past the ideal lawyers in his book?) Apparently. The second-impact chapter will delve into "the last year"—Mulroney dropping out of Dalhousie's law school (where Joe Clark transferred) before enrolling at Laval.

Perhaps just in stepping in the Sawatzky conclusion that he thinks Mulroney will be Prime Minister once again after next year's election. One gets the impression that he has more respect for Mulroney now than when he first started the project.

Sawatzky thinks Mulroney is shrewd and basically has no principles—but is a fantastically skilled "operator." He compares him to two other famous politicians who were not famous

for their Boy Scout behaviour: Chicago's politician Richard Daley and Montreal's Jean Drapeau. The latter was not a merit but, Sawatzky notes the well-known machines always kept the streets clean, put the *Moslems* taught the trams to run on time.

Sawatzky gets back to the essential point about Mulroney: his natural calling as a lawyer was to be a labor negotiator in many common Quebec disputes. Negotiations are not designed to be negotiation or hard strategies, but find a solution, never anything about on what ground the solution is found.

That is Mulroney to the core, a brilliant operator who has no real philosophy at his base. Sawatzky, I think, has found the other secret to his success—the *M&M* "discovery" by the

First Street ladies seven years after she has been to the Canadian spotlight.

Sawatzky has discovered, which is apparent to anyone who knows the family, who is in fact the stronger personality, who is the glue that holds the family and the office together and who is the core shrewd judge of others.

Because Mulroney, for whatever reason, is incapable of revealing to the public the engaging person that he is, the Canadian voters do not know the man—which is somewhat why they give him the same personality rating as the number of Americans who still think this is alive.

Sawatzky attempts to do the same thing as he did with Lucio James Bennett, not trying to make a judgment as to whether he was a patriot or a Soviet mole just reporting facts, letting the reader in the end come to a conclusion.

He does the same with the prime minister the voters desire. Just the facts, and no

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